Daily Report

East Europe

FBIS-EEU-94-154
Wednesday
10 August 1994

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Daily Report
East Europe

FBIS-EEU-94-154 *10 August 1994*

CONTENTS

NOTICE TO READERS: All material in this volume previously disseminated in electronic form.
An Ω indicates a Foreign Media Note.

ALBANIA

Government Protests Greek 'Intervention' in Trial *[Tirana Radio]* 1
Foreign Ministry 'Announcement' *[Tirana TV]* 1
Former Persecutees Continue Hunger Strike *[Tirana TV]* 1
Newspaper 'Strike Committee' Issues 'Demands' *[KOHA JONE 7 Aug]* 2

BULGARIA

Trade Unions Protest Decision on Income Indexing *[Sofia TV]* 3
Editorial Views 'Decline' of SDS Party *[DEMOKRATSIYA 4 Aug]* 3
Party Daily Supports Evangelism Among Muslims *[DUMA 4 Aug]* 3
Commentary on Sympathy for Former Communists *[KONTINENT 7 Aug]* 4

CZECH REPUBLIC

Klaus on Miklosko Accusation, Balanced Budget *[LIDOVE NOVINY 5 Aug]* 5
Prime Minister Views Coming Local Elections *[Prague Radio]* 5
Defense Ministry To Create Press Service Center *[CESKY DENIK 4 Aug]* 5

SLOVAKIA

Defense Minister on Peacekeeping Operations *[Bratislava Radio]* 6
Arms Exports of $4 Million in 1992-94 Reported *[SLOVENSKY DENNIK 4 Aug]* 6
Moravcik on Relations With Hungary, Poland *[Bratislava TV]* 6
Kukan Denies Ambassadorial Replacement Reports *[PRAVDA 5 Aug]* 7
SNS Chairman on Party Support, Czech Relations *[CESKY DENIK 3 Aug]* 7
Greens Enter Election on HZDS Slate *[SLOVENSKA REPUBLIKA 4 Aug]* 8
Deputy Rejects Charge by HZDS Club Member *[NARODNA OBRODA 5 Aug]* 8
Election Commission Selects Chairman *[SME 5 Aug]* 8

HUNGARY

Government To Alter Support for Hungarians Abroad *[Budapest TV]* 10
Foreign Ministry Press Spokesman Interviewed *[Budapest Radio]* 10
Compensation Office Head Views Future Tasks *[MAGYAR HIRLAP 9 Aug]* 11
Workers' Party Chairman Discusses Tasks *[NEPSZABADSAG 9 Aug]* 12

POLAND

More on President's 'Attack' on Sejm *[TRYBUNA 10 Aug]* 14
SLD Head: Concordat Rescheduled, Not Rejected *[Radio Warsaw]* 14
Election Results, Center-Right Strategy Viewed *[LAD 17 Jul]* 15
Legislative Work for Implementation of 'Strategy' *[ZYCIE WARSZAWY 10 Aug]* 16
Condition, Future of Foreign Trade Discussed *[RZECZPOSPOLITA 8 Aug]* 17
Ministry Outlines Rural Development Strategy *[NOWA EUROPA 9 Aug]* 18
Debate on Amendments to Laws on Police Powers *[ZYCIE WARSZAWY 10 Aug]* 19

BOSNIA-HERZEGOVINA

UN: Snipers Claim Serb Victims Near Sarajevo *[AFP]* 21
Tank Reported in Exclusion Zone *[AFP]* 21
Aid Planes Land in Sarajevo *[AFP]* 21
Rose Threatens Air Strikes To End Fighting *[AFP]* 22
Both Sides Warned *[AFP]* 22
Demilitarization Plan Presented *[Sarajevo Radio]* 22
Abdic Seeks 'Political Solution' in Zubak Letter *[AFP]* 23
Bosnians Willing To Negotiate *[AFP]* 23
Abdic's Army 'Falling Apart' *[Sarajevo Radio]* 24
Abdic Denies Opposing Federation *[Zagreb Radio]* 24
Presidency To Offer Amnesty *[Sarajevo Radio]* 24
Karadzic Pledges Continued 'Resistance' *[AFP]* 24
Buha Doubts Contact Group 'Plan' Exists *[BORBA 9 Aug]* 25
Ganic, UN Official View Humanitarian Situation *[Sarajevo Radio]* 25
Council Ratifies Mostar Administration Plan *[Zagreb Radio]* 25
Army 5th Corps Reaches Croatian Border *[Sarajevo Radio]* 26
Kladusa 'Leaders' in Knin *[Sarajevo Radio]* 26
Breakdown of Srpska Monetary Unity Predicted *[Sarajevo Radio]* 26

CROATIA

Tudjman Rumored To Have Suffered Heart Attack *[TANJUG]* 27
Spokesperson Denies Rumors *[Zagreb Radio]* 27
Parliamentarians Visit Near Serb-Occupied Areas *[Zagreb Radio]* 27
Prime Minister Says Currency Reserves Stable *[Zagreb Radio]* 27
Muslims Reportedly Flee to Serb Krajina *[Belgrade Radio]* 27
UNPROFOR General Protests Blockades *[Zagreb Radio]* 27
Prevlaka Not Yet Under Negotiation With FRY *[TANJUG]* 28

THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA

Assembly Chairman Sees No 'Threats' to State *[NOVA MAKEDONIJA 2-3 Aug]* 29
Report Views Recent Economic Trends *[NOVA MAKEDONIJA 6 Aug]* 31
Census Official: 'Violations' in Albanian Areas *[NOVA MAKEDONIJA 6 Aug]* 32

SLOVENIA

Report Outlines Secret Services Law *[DELO 3 Aug]* 33

YUGOSLAVIA

Federal

Srpska Bureau Head Denies Planned Departure *[Belgrade Radio]* 34
UNHCR Convoys Forced To Use One Border Crossing *[TANJUG]* 34
Serbian Border Guards Turn Back Aid Convoys *[AFP]* 34
Army Put On Alert After Goverment Seals Border *[BORBA 9 Aug]* 34
Defense Council Reviews Military Issues *[TANJUG]* 34
Cadets Training at Garrison in Podgorica *[VOJSKA 2 Jun]* 35
Training of Podgorica Corps Artillery Units *[VOJSKA 2 Jun]* 35
More on Podgorica Units *[VOJSKA 19 May]* 36
Changes in Vranje Barracks Discussed *[VOJSKA 19 May]* 37
Exercises of Air Defense Units Described *[VOJSKA 2 Jun]* 38
Nis Firm To Cooperate in Tank Refurbishment *[VOJSKA 2 Jun]* 38
TANJUG Views U.S. Statements on Sanctions 39
Article Discusses Decree on Mobilization *[VOJSKA 19 May]* 39

Serbia

Milosevic Meets Business Group, Reviews Program *[TANJUG]* 41
Seselj Accuses Milosevic of War Crimes *[VREME 8 Aug]* 41
Serbian Opposition Party Supports Peace Plan *[TANJUG]* 42
Authorities Tell Bosnian Serbs To Leave Mission *[AFP]* 43

Kosovo

Military Police Exercises in Pristina *[VOJSKA 19 May]* 43

Government Protests Greek 'Intervention' in Trial

LD0908171994 Tirana Radio Tirana in English 1600 GMT 9 Aug 94

[Text] The Albanian Government considers the request of the Greek Government for the suspension of the legal procedures against the five Greek minority members as an unacceptable act of intervention into the internal affairs of the Albanian State, and especially of the Albanian justice.

In a meeting with the Greek ambassador in Tirana, Kristos Tsalikis, at his request, the Albanian Minister of Foreign Affairs Alfred Serreqi expressed this attitude of the Albanian Government by adding that the independence of the Albanian justice is worldwide known. [sentence as heard]

I repeat once again, said Serreqi, what is publicly made known, that the trial against the five minority members will be open, and it is up to the jury to decide on their innocence or guilt.

The Albanian foreign minister said the efforts of the Greek Government to incriminate the Albanian Government in this process are unacceptable. He said: We refute them categorically, considering them as a clear testimony to the lack of goodwill to resume the dialogue proposed by the Albanian side. It is the only way out to the improvement of the [word indistinct] existing between our two countries.

He said the joint interview of the Greek Foreign Minister Papoulias with the head of the Omonia association [Democratic Union of the Greek Minority] in Albania, Sotir Qiriazati does not contribute to the improvement of the situation, but it is a testimony to the fact that the Greek Government manipulates the Greek minority—and the Omonia association too—for internal political interests at the expense of the Albanian-Greek relations.

Tsalikis, on his part, said he was authorized to voice the opinion of the Greek Government, which considered this trial as unacceptable. This trial aims to frighten the Greek minority in Albania, said Tsalikis. He also said the Greek Government does not consider its suspension as a condition to improve the bilateral relations.

The Albanian Foreign Minister Serreqi responded by saying the policy of pressure and intervention (?adopted) by the Greek Government towards the neighbors is not at all prudent, and the Albanian Government is not to be impressed by it.

The trial against the five minority members starts 15 August. They are accused of conspiracy with the foreign services and illegal arms keeping.

Foreign Ministry 'Announcement'

AU0908210094 Tirana TVSH Television Network in Albanian 1635 GMT 9 Aug 94

["Announcement" by Albanian Foreign Ministry spokesman issued in Tirana on 9 August—recorded]

[Text] Today, on 9 August 1994, Albanian Foreign Minister Alfred Serreqi received Mr. Khristos Tsalikis, Greek ambassador in Tirana, upon the latter's request.

The Greek ambassador confirmed he was authorized to state that, based on the charges against five Greek minority citizens, the Greek Government considers their trial to be unacceptable. He stressed that the trial aims at threatening the Greek minority. He went on to say that the Greek Government demands that the judicial procedure against the five accused be suspended, considering it to be a condition for improving bilateral relations.

Albanian Foreign Minister Alfred Serreqi responded to the Greek ambassador that the Albanian Government considers their claim to be an unacceptable act of interference in the internal affairs of the Albanian state and particularly of the Albanian justice, whose independence is now known worldwide. I reiterate, he continued, what has become publicly known: that the trial of five Greek minority people will be open. It is up to the court to decide whether they are guilty or not.

The attempts of the Greek Government to incriminate the Albanian Government in this trial are unacceptable and we categorically reject them, considering them to be clear testimony to the lack of goodwill to reestablish dialogue as proposed by the Albanian side, which is the only means of reducing tension and improving relations between the two countries. The joint interview of Greek Foreign Minister Papoulias and the OMONOIA leader, Mr. Qiriazati, does not help to improve the situation, but testifies that the Greek Government is manipulating the Greek minority and the OMONOIA organization for internal political interests to the detriment of Albanian-Greek relations.

The policy of pressure and intervention that the Greek Government adopts toward its neighbors is not a wise policy, and the Albanian Government is not at all impressed by it, Minister Serreqi stressed.

Former Persecutees Continue Hunger Strike

AU1008054294 Tirana TVSH Television Network in Albanian 1800 GMT 9 Aug 94

[Report by Timo Luto]

[Text] [Luto] More than 100 members of the Tirana branch of the Former Political Persecutees Association are continuing their hunger strike at the association headquarters. Today is the fifth day of the strike. The strikers have occupied the rooms on the first floor. They are avoiding every unnecessary movement so as to use up as little energy as possible. The strikers pass their time reading newspapers, but the majority prefers to doze or sleep.

A group of women from families of the former persecutees are taking care of the place's hygiene every day, as well as carrying out other services for the strikers.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

A medical team here supervises the strikers' health at all times. Dr. Roza Pisha reports that blood pressure is checked every morning. According to her, a reduction in the blood pressure has been observed in all strikers and all are receiving medication to normalize it. Following doctors' advice and after brief treatment at the hospital, 11 strikers ended their strikes and went home. Various associations and companies have assisted with medications and other basic goods permitted by the strike's conditions.

The association presidency is working to receive information about the course of the strike in other districts and communiques are being drafted.

The strike by the Former Political Persecutees Association continues.

Newspaper 'Strike Committee' Issues 'Demands'

AU0908203394 Lezhe KOHA JONE in Albanian 7 Aug 94 p 2

["Statement" issued by the "Strike Committee of Several Albanian Newspapers;" chairman; place and date not given]

[Text] On Friday, 5 August, the newspaper Strike Committee met Mr. Robert Ceku, deputy minister of finance and representative of the government, in order to submit its strike demands.

The strike representatives demanded:

1. The removal of customs duties on paper as a raw material for the printing presses.

2. A fair distribution among the newspapers of advertisements placed by the National Housing Agency and the National Privatization Agency, following a Finance Ministry study of the newspapers' circulation figures.

3. The removal of the 15-percent turnover tax.

4. The removal of the 15-percent tax on advertising.

After a discussion lasting more than an hour, the two sides agreed on the following points:

1. The government will include newsprint on the list of goods subject to lower taxation. After 10 days, the newspaper Strike Committee will bring to the Finance Ministry a proposal for a floor-level price for paper, which will become embodied in a government decree following further discussion.

2. The National Housing Agency and the National Privatization Agency will, as a matter of urgency, reallocate their announcements and advertisements among all the country's leading newspapers, regardless of their party allegiance, instead of as hitherto favoring RILINDJA DEMOKRATIKE, REPUBLIKA, and BASHKIMI.

3. The Justice Ministry will review the interpretation of the tax law in connection with the 15-percent turnover tax. The government could not fully accept the removal of this type of taxation. There were disagreements with the Strike Committee on this point.

At the end of the meeting, it was agreed to hold a second meeting on 15 August about some of the aforementioned problems. On Monday, the Finance Ministry will also send its specialists to the newspapers to explain problems relating to the 15-percent tax on advertisements and the profitability of newspapers under present conditions.

The Strike Committee states that the government may soon issue decrees on some of the problems over which agreement was reached.

The Strike Committee also demands a meeting with Mr. Bashkim Kopliku, deputy prime minister, in order to discuss the political aspect of the survival of an independent press, as one of the pillars of Albanian democracy.

[Signed] Ilirian Zhupa, secretary; Nikolle Lesi, chairman

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Trade Unions Protest Decision on Income Indexing

AU1008055494 Sofia Bulgarska Televiziya Network in Bulgarian 1700 GMT 9 Aug 94

[Text] The government's policy is becoming demonstrably antisocial, after the ministers decided yesterday to index incomes not in line with the actual inflation rate, but according to the inflation forecasted at the start of the year. This is the comment that the KNSB [Confederation of Independent Trade Unions in Bulgaria] made on yesterday's cabinet decision. The confederation describes the situation as explosive and is convening an expanded session of the KNSB National Strike Committee on 31 August to decide what specific actions the trade unions should organize in the autumn.

Editorial Views 'Decline' of SDS Party

AU0908124894 Sofia DEMOKRATSIYA in Bulgarian 4 Aug 94 p 1

[Editorial by Ivo Indzhev: "Rock And Kazachok"]

[Text] The Russian folk dance "kazachok" is obligatory for professional politicians. Hence, Filip Dimitrov, the leader of the Union of Democratic Forces [SDS], recently left for Russia for the purpose of catching up on his lacking proficiency in dancing the "kazachok."

It has become fashionable to analyze the recent past by digging into the archaeological ruins of the "town of truth." A scientific cause for the sudden decline of the democratic civilization in Bulgaria is being sought. This civilization lasted only nine months, as long as a pregnancy, and we are asking ourselves: Was its offspring stillborn? Did the civilization really decline? What were the reasons for its disappearance? The ruins are silent. Despite the fact that we are contemporaries and should all remember what happened, the various interpretations and explanations for the SDS's decline are becoming increasingly numerous and far-fetched. Their insipidness rivals the stupidity of the ignorant who have become an indelible feature of our contemporary political life. The militant task of eliminating the SDS from power is being replaced with the belated denunciation of a few individuals who are lightheartedly accused of all the satanic vices under the sun. As if the real reason for removing the SDS was not the full and total mobilization of revanchist forces joined together in the blood-red fist of the communists! Even the former Fatherland Front, which was established under Stalin's control, could hardly compete with the zeal of their joint efforts.

It is true that mistakes were made. However, our main mistake was the attempt to dance a last rock and roll on the skin of the Russian bear. As we know, the bear is not dead, nor does it intend to die. On the other hand, such wishful thinking is not only unjustified, but silly—and even more important in politics—the lack of sound judgment irritates the bear. Former Prime Minister Filip Dimitrov has realized this truth. However, the fact that he realized it irritates other people who are only Bulgarians but pretend to be fiercer than the Russian bear.

Party Daily Supports Evangelism Among Muslims

AU1008071294 Sofia DUMA in Bulgarian 4 Aug 94 p 8

[Article by Boris Dankov under the "We Are Here Again" rubric]

[Text] DUMA yesterday reported on the Iranian protests against the Christianization of Bulgarian Muslims. The objection would have been justified had it been true—namely, if the Christianization of real Muslims had been at stake. In the first place, Father Boyan Saruev's mission is to bring back to the Orthodox Church the descendants of former Bulgarian Christians who had been forcibly Islamized. In the second place, according to objective considerations, the majority of the people in question never had anything to do with the Islam. It is well known that Bulgaria was an atheist state for the last 45 years. Hence, the overwhelming majority of those people are nothing but atheists. Do the people who issued the death sentence against Salman Rushdie have any justification for their claims against Bulgaria? None whatsoever! It is the same as if Bulgaria were to protest against the anti-American hysteria fanned in Iran. For us, this is a domestic matter regarding only the Iranians. Hence, they should not interfere with Bulgarian affairs as long as the law of the jungle has not prevailed in International Law.

So far, so good. In this connection, however, our Bulgarian reaction to the Saruev phenomenon, which borders on lack of patriotism, ignorance of historical facts, and lack of memory, is even worse. It is rumored that certain circles "within Bulgaria" are allegedly irritated by the statute of the movement headed by Father Saruev, nicknamed "John the Baptist." They seem to be afraid of mass Christianization in our country, which would allegedly "irritate the world"(!). Others prefer to remain silent and look after their bourgeois comfort. How else should we explain the attitude of the official Bulgarian Orthodox Church which prefers to remain inactive or even obstruct Father Saruev's work. After the totalitarian lethargy and the infighting in clerical circles, we should have expected the church to finally become aware of its religious and patriotic mission. This should at least transpire from its attitude to the conversion of atheists to Orthodoxy as a religious and cultural tradition. Should I remind the Bulgarian Orthodox Church of its historical role? Let us even overlook the fact that the right of faith and religious conviction is the personal right of every individual.

Hence, it is even more shocking to watch the drastic ignorance of the "lay circles" in our country, of the politicians and statesmen, who are afraid of "scandalizing" Europe and the world. This is happening at a time when scholars and competent official circles in the West are warning against the "Islamic wave," which is arising against the ancient continent, when in the East the

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

devastated Russian land is struggling to resist the invasion against the Slavonic spirit and against Orthodoxy, when Bulgaria is desperately writhing in the convulsions of a disastrous demographic collapse. In the meantime, our so-called "patriots" are busy playing the game of political infighting and power struggles. They are amusing themselves at cocktail parties and receptions, touring the world in the pursuit of phony diplomatic relations. Apart from this, Bulgaria is still in its place. Nevertheless, how true are the words of the monk Paysiy [who wrote the first Bulgarian history at the time of Turkish oppression]: "You, ignorant people, why are you ashamed to call yourselves Bulgarians?" From time to time, we should remember those words, at least as long as the Bulgarian nation still exists.

Commentary on Sympathy for Former Communists

AU1008070594 Sofia KONTINENT in Bulgarian 6-7 Aug 94 p 4

[Commentary by Rumyana Bratanova: "The Pauper Is Most Generous"]

[Text] After a prime minister of the Zhivkov era, who was serving a prison term, was pardoned and released, our print media exploded with the tearful-heroic confessions of former rulers whom justice had recognized guilty with a delay of five years. The Bulgarian citizen who is poor and sickly himself, who has almost reached the limit of his endurance sympathizes with them. People are saying that the former privileged leaders are old and sick today, that they are suffering from their own party's black ingratitude and have fallen to the rank of the socially underprivileged.

It is natural for any human being to long for release from a prison, where the conditions are no better than they were in his own time. However, the people in question never showed even a shred of repentance, not even a shadow of bad conscience, nor did they ever try to admit guilt and responsibility. Each of those former communist leaders is playing the role of Dimitrov at the Leipzig trial. What about the fact that heroes are not supposed to cry for mercy? The president once more felt the temptation to pose as a generous man and pardoned Georgi Atanasov. It is his legitimate right and, as we know, the Constitution does not grant him too many rights. Nevertheless, by this act, he marked a beginning, and the logical consequence for him should be to pardon Ovcharov, Stoichkov, and Zhivkov as well in the long run. It is certainly inappropriate to denounce President Zhelev for his humanitarian act, or to detect some sort of secret deal behind his generosity. However, an explanation is called for—namely, that grace is no justification.

It is up to the Court of Justice to establish guilt, while history is expected to assess the destinies of past generations. In the eyes of justice and history, the former rulers and the present destitute Bulgarians may be equal. Therefore, let us clarify who is the victim and who is guilty.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Klaus on Miklosko Accusation, Balanced Budget

AU1008054994 Prague LIDOVE NOVINY in Czech 5 Aug 94 pp 1, 3

[Interview with Prime Minister Vaclav Klaus by Eva Martinkova; place and date not given: "Prime Minister Vaclav Klaus Answers LIDOVE NOVINY"]

[Excerpts] In the regular column, Prime Minister Vaclav Klaus answers topical questions from correspondent Eva Martinkova. [passage omitted]

[Martinkova] Slovak Deputy Frantisek Miklosko believes that you wrecked the talks on the Bojnice altar. He also said that you reckon with Meciar's return and do not wish to deal this government any trumps. Thus, you refuse, for instance, to talk with Prime Minister Moravcik. Is that so?

?[Klaus] I have not discussed the Bojnice altar with anyone for several months now. It is completely in the jurisdiction of the culture minister. He last submitted a plan of how to solve this problem about six months ago. Since that time, I have not heard a word about the Bojnice altar. So the idea that I would block it in some way is almost absurd, if not facetious. Regarding the second accusation, that I do not communicate with Prime Minister Moravcik, I do not believe that is true. First, we met in Prague just a few days after his appointment; second, we held official talks during the meeting in Crans Montana in Switzerland; and, finally, we had a chat at the session of the Central European Initiative in Trieste. It seems to me that three meetings in five months are well above average in meetings between prime ministers of neighboring countries. [passage omitted]

[Martinkova] Lately, the policy of a balanced budget year after year has been criticized as an attempt of the government to gain popularity to the detriment of healthy economic development. What makes you advocate it?

[Klaus] We all know that, as an individual or as a family, we can get into debt. We simply do not know what to do. For whatever reasons, our income was reduced and we need to survive until the next pay period. This, however, is not the situation in the Czech Republic. We are not in a dramatic situation where we have to borrow to pay for standard expenditures. That is one principal reason. Another reason is that a difference is always made between loans for some investments and consumption loans, for something we will eat up. That is not our present situation, either. If we are pushed into something, it is an increase of social expenditures. That is not an investment in the future but, rather, a form of eating up a little more than we can afford. Another major reason is that we differentiate between an individual loan and a type of collective loan that one government will happily take and an entirely different government may have to pay off.

After all, in the past, before the fashionable Keynesian theories claiming that the state could advance the economy by its expansion policy, no one would have even dreamed of a deficit budget except in an extraordinary situation such as war. Only such a moment as equipping the army could be a traditional reason for an unbalanced state budget. One should keep this in mind.

Prime Minister Views Coming Local Elections

LD0908193894 Prague Radiozurnal Radio Network in Czech 1645 GMT 9 Aug 94

[Weekly interview with Prime Minister Vlaclav Klaus by correspondent Lucie Weissova on 9 August; place not given—recorded]

[Excerpt] [Weissova] The most important event of the coming fall in our country will no doubt be the local elections. Their date has already been set. Prime Minister, what significance does the ODS [Civic Democratic Party] attach to them, in comparison with, let us say, parliamentary elections?

[Klaus] Well, local elections are a different matter from parliamentary elections. In parliamentary elections, we are concerned about the basic political orientation of our country, and I think it is obvious that they are classic party elections. Local elections, with the exception of bigger places, such as towns, can be much more pragmatic, local, homely elections. I feel that basic ideas and political questions will not be discussed there, such as those of the right, the left, the direction that this entire country should take. That is why I think these elections will be somewhat different, and I think their results may also be different. I think that probably postelection coalitions will be formed differently. The variety of the results will no doubt be much bigger than in parliamentary elections, and this is probably correct and logical and no one needs to be sad about it. [passage omitted]

Defense Ministry To Create Press Service Center

AU1008070194 Prague CESKY DENIK in Czech 4 Aug p 2

[Article by "jis": The Defense Ministry Wants To Improve Relations With the Media"]

[Text] Prague—The Defense Ministry is creating a press service center, where all news reports from the Defense Ministry, the General Staff, and the Army are to be collected.

The objective of this measure is to improve communication between the Defense Ministry and the media and, at the same time, increase the frequency of the provided information. The center is to be in full operation by the beginning of September, when the ministry will allow reporters to visit the center and will introduce its staff. At the same time, it will allegedly welcome it if the reporters express their views on their cooperation to date and the possibilities for its improvement. The establishment of the Department for Press, Information, and Public Relations at the Defense Ministry can be reportedly linked to the implementation of the Partnership for Peace plan and to the creation of compatible structures by a reorganization of its operation.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Defense Minister on Peacekeeping Operations

LD0908195794 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1630 GMT 9 Aug 94

[Excerpts] The agenda of the 22d Slovak Cabinet meeting was exceptionally varied today. [passage omitted] Our colleague Milan Velecky has come to the studio after today's Cabinet meeting with more information.

[Velecky] Defense Minister Pavel Kanis said after the Cabinet meeting at a news conference that, after all, our Army would not build a field hospital in Rwanda. The French and the Australians got there first. However, the United Nations expressed its appreciation for our offer and proposed that we build such a hospital in Haiti—of course, only after the anticipated intervention there of the UN forces. According to the defense minister, we will accept this proposal but only after the situation is consolidated after the intervention and if the security of our soldiers is guaranteed.

Related to this subject were four documents submitted by the Ministry of Defense today. They dealt with the training or deployment of our soldiers outside Slovak territory either within the framework of the Partnership for Peace program or exercising duties within UNPROFOR [UN Protection Force], EU, or CSCE peace missions. Defense Minister Kanis defined them in the following way:

[Begin Kanis recording] In cases defined by these criteria, of sending out not more than one battalion of Slovak forces or not more than 700 persons to participate in training outside Slovak territory, we would like the Slovak Government and not the Slovak parliament to be able to approve these cases. [end recording] [passage omitted]

[Velecky] The defense minister also proposes how to deal with foreign soldiers staying on our territory. According to him, it is paradoxical that this does not require parliamentary approval, although various accidents may happen during the training, which could be politically exploited against the government, Kanis added.

Arms Exports of $4 Million in 1992-94 Reported

AU1008115094 Bratislava SLOVENSKY DENNIK in Slovak 4 Aug 94 p 1

[TA SR report: "Arms Worth $4 Million Were Exported During the Past Two Years"]

[Text] Bratislava—"According to available figures, the total value of the arms and military material exported from Slovakia between April 1992 and April 1994 was $4 million. We do not know where the reports about arms exports amounting to an astronomical $170 million to the states of the former Yugoslavia alone came from." This was said in a statement released to TA SR yesterday by the Economy Ministry in reaction to an article published in THE WASHINGTON TIMES. In the aforementioned article, Slovakia was described as the third-largest arms exporter to the states of the former Yugoslavia and as having violated the embargo imposed by the United Nations.

According to information from the Economy Ministry Special Production Department, judging by the figures, arms and military material worth approximately $3 million were exported to the states of the former Yugoslavia as munitions for UNPROFOR [UN Protection Force]. This mainly involved armored personnel carriers and ammunition from the Defense Ministry's surplus supplies. These exports were executed last year on the basis of an order from the United Nations. It also says in the statement that, in 1992, the Federal Ministry of Foreign Trade in Prague supervised foreign trade and regulated the export of arms and military material. Exports were carried out through the OMNIPOL Foreign Trade Enterprise, also based in Prague.

Moravcik on Relations With Hungary, Poland

LD0908220994 Bratislava STV 1 Television Network in Slovak 1900 GMT 9 Aug 94

[Interview with Prime Minister Jozef Moravcik by an unidentified correspondent at the STV Television studios in Bratislava on 9 August; from the "Press Club" program—recorded]

[Excerpts] [Correspondent] My first question is directed to Prime Minister Jozef Moravcik. A few days ago, Hungarian Prime Minister Gyula Horn ended his visit to Slovakia. You are preparing to go on a visit to Poland in a few days—namely, on 18 August. Could you clarify what the expectations regarding mutual relations with our closest neighbors are?

[Moravcik] We attach really great importance to the relations with both these republics. They are our neighbors, and we consider them as important as the other neighbors. [passage omitted] Together with Hungary, we are interested in building our relations along the same lines as with the other neighbors, along the lines of good-neighborly relations. It is very important that we maintain and secure long-term stability in Central Europe because, otherwise, we cannot go forward, we cannot pursue our foreign-political interests. This is the starting point.

As far as negotiations with Hungary or the Hungarian prime minister are concerned, I could define these negotiations by saying that they represented one very important part of a long-term process. [passage omitted]

As far as the bilateral basic political treaty is concerned, we have made a step forward but more steps will have to be taken. One important step, in my opinion, is the mutual agreement that such a treaty should confirm the immutability of the existing borders. [passage omitted] We must discuss the problem of ethnic minorities and evidently will have to do so for a long time. This is the

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

second problem area that constitutes a separate chapter of work on this basic treaty. [passage omitted]

Our starting points are defined, have been declared, and there is no reason we should change them. It means that we will insist on these starting points in the process of negotiating with the Hungarian Republic. It concerns our understanding of matters related to ethnic minorities as a Pan-European problem. If Europe is to unite, if it is uniting into a European union, it has to unite on the basis of certain principles. As far as ethnic minorities are concerned, as far as the legal position of ethnic minorities are concerned, this is also a problem area requiring Pan-European consent. This means that our discussion with Hungary is a part of a larger Pan-European discussion. Our position is that we will accept what we have agreed within Europe. This is a brief definition of our attitude. The question of collective rights or autonomy creates a problem. We think that, in view of the composition of Slovak territory, which is inhabited by others and not only by the Hungarian minority, this is a territory inhabited by several ethnic groups, which means that minorities anywhere in Slovakia do not live separately; they inhabit mixed areas. To create autonomous regions in these circumstances would lead to the creation of artificial institutional borders between citizens of different ethnic origin. [passage omitted]

[Correspondent] What is the attitude of the Hungarian side?

[Moravcik] So far, we have not agreed on this point. [passage omitted] Our relations with Poland are different. We have no outstanding questions requiring a specific solution. Our initiative here is directed toward creating the conditions necessary for deepening relations because the level of our relations with Poland is underdeveloped. [passage omitted] During our visit to Poland, we will sign several important agreements, which should extend and facilitate this cooperation and our contacts. On this basis, we can then develop these contacts established through the agreements. [passage omitted]

Kukan Denies Ambassadorial Replacement Reports

AU1008074394 Bratislava PRAVDA in Slovak 5 Aug 94 p 3

[TA SR report: "Shocked by the Slate"]

[Text] Bratislava—Foreign Minister Eduard Kukan yesterday protested against the mounting speculation that Jozef Moravcik's government is planning to recall from abroad 10 current ambassadors and replace them with supporters of the Democratic Union [DU]. If reference is made to candidates for ambassadorial posts, this does not mean that the current diplomats are to be replaced; it means that more of them are to be appointed. Kukan submitted a proposal recently to recall two ambassadors, but this was based on the ineffectual results of their work. Publishing the names of the candidates for ambassadorial posts, as a certain weekly did, harms not only the ministry but also the Slovak Republic, said E. Kukan. He described the leak of information from the ministry as extremely undesirable and said that it must have been caused by someone who is very familiar with it; this means that he works at the ministry. In connection with the candidacy of Alica Bielikova, the desk officer in the Foreign Ministry's Press Department, on the slate of the Movement for a Democratic Slovakia [HZDS] in Central Slovakia, right behind V. Meciar, Kukan said that, when he saw her name on the HZDS slate, he was, first and foremost, shocked.

SNS Chairman on Party Support, Czech Relations

AU1008055694 Prague CESKY DENIK in Czech 3 Aug 94 pp 1-2

["Exclusive" interview with SNS Chairman Jan Slota by Ivan Vilcek; place and date not given: "Jan Slota: We Are Happy That We Are No Longer a Colony"]

[Text] From its very inception, the Slovak National Party (SNS) has had in its program Slovakia's becoming independent, and it did not hide it even under the federation. It was the coalition partner of Meciar's Movement for a Democratic Slovakia [HZDS], and now they are together in the opposition. After the departure of Ludovit Cernak from the post of SNS chairman, Zilina Mayor Jan Slota, who is considered an extremely nationalist politician, was elected to chair that party. We asked him the following:

[Vilcek] In the past few weeks, the support for your party has skyrocketed. It reached 8 percent, which is a level it has not attained since you became chairman. When you assumed the post, you promised to take the party to the level of 15 percent. Do you stand by this statement?

[Slota] Still recently, the largest group of Slovak voters were those who did not know for whom to vote. It seems that the Slovaks are slowly but surely realizing the tremendous danger to our Republic from the Hungarian irredentist parties. It is inconceivable that the Hungarian parties hold the balance of power in the Slovak parliament and continually raise the price of their votes by always greater demands. The present government coalition yields to them on everything. The Slovaks are finally beginning to realize how necessary the SNP is for the unity of all Slovaks. Therefore, I am convinced that the SNS will receive 15 percent of votes in the coming early elections.

[Vilcek] The HZDS and SNS representatives have stated that, in a certain form, the so-called signpost law was acceptable even to them. Which points in the adopted form of the law do you find objectionable?

[Slota] I do not know who informed you that the SNS was in favor of the adoption of the signpost law. It may be that the HZDS stated that the law might be acceptable in a different form, but for us it is inconceivable. As the SNS chairman, I can declare that I do not approve of any signposts in Slovakia.

[Vilcek] Nevertheless, it is a gesture that can categorize Slovakia in the eyes of the world. How would the West categorize Slovakia on the basis of your statement?

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

[Slota] This palaver about rating is funny. I am a Slovak, Catholic, and anticommunist. That is what I consider important.

[Vilcek] As a Slovak, Catholic, and anticommunist, do you also consider yourself a European?

[Slota] My ancestors have lived in Europe for 1,200 years. Slovakia has always been a part of Europe, and no one needs to categorize me.

[Vilcek] What do you think of the future of Pan-Slavic cooperation?

[Slota] The West—for example, the pseudodemocratic countries in West Europe—is simply afraid that the Slavic nations will unite. I emphasize that it is not an intended unification in a single-state entity. The West is afraid of our coordinating our policies in the economy or in any other area. They realize that it is a great power—economic as otherwise. I repeat, these are not ideas of a unification in a single-state form. We are, however, in favor of close cooperation of the Slavic states.

[Vilcek] Let me point out that the Warsaw Pact was not a state form; nevertheless, a single center managed everything. Are your ideas close to a new division of Europe?

[Slota] The powers divide the spheres of influence among themselves anyway. I—that is, our party—will promote the view that Slovakia must not fall into any single sphere of influence. We must be ourselves and endeavor to cooperate with everyone.

[Vilcek] One of your deputies recently stated at a meeting with Czech parliament deputies that he, too, feels a certain nostalgia for the Czech and Slovak Federal Republic. How does the SNS chairman feel about it?

[Slota] The statement made by my fellow deputy was certainly distorted by the media. Our party and I have fought for independence, and we are happy not to be a colony any longer.

[Vilcek] Do you consider the relations between the Czech and the Slovak Republics acceptable?

[Slota] I believe the customs union, for instance, is deleterious to Slovakia. The present Czech-Slovak cooperation is marred by the Czechs having robbed the Slovaks of many billions in the partitioning of the state. I can recall the sea transport, for instance, or CSA [Czechoslovak Airlines], and they have not returned seven tonnes of our gold, the Bojnice altar, etc. When the Army was divided, the facilities built and paid for by Slovak taxpayers were forgotten.

[Vilcek] So, you believe this has caused the better economic results of the Czech Republic after the division of the common state?

[Slota] Of course. They simply robbed us bare. Even the gentleman who calls himself president of the Czech Republic damaged Slovakia by liquidating the arms industry. It was a hit below the belt, and I can only wonder why our president invites such a man to Slovakia. It has now become clear what kind of humanist the Czech president is. The Czech Republic has become the sixth-largest exporter of arms in the world.

Greens Enter Election on HZDS Slate

AU1008070294 Bratislava SLOVENSKA REPUBLIKA in Slovak 4 Aug 94 p 2

[Article by TA SR and "(mrs)": "The Greens Are on the Movement for a Democratic Slovakia's Slate"]

[Text] Bratislava—The coalition talks involving the Slovak Green Alternative (SZA), the Movement for a Democratic Slovakia [HZDS], and the Farmers' Party of Slovakia (RSS) have ended in an agreement on preelection and postelection cooperation. The HZDS has offered the Greens five places on its slate. M. Skodny will campaign in Bratislava, Z. Lazarova and J. Brezinska in West Slovakia, J. Compel in Central Slovakia, and M. Ivanka in East Slovakia. The SZA supports the memorandum approved at the seventh meeting of Slovaks from southern Slovakia in Surany. It is of the opinion that the Slovak-Hungarian interstate treaty on good-neighborly relations and the unchangeability of the borders should be signed by the new government that will be formed after the democratic elections.

Deputy Rejects Charge by HZDS Club Member

AU1008080094 Bratislava NARODNA OBRODA in Slovak 5 Aug 94 p 2

[TA SR report in the "News" column: "V. Bajan Protests"]

[Text] "I protest against yet another attempt to discredit me. I consider the claim made by Deputy M. Pridala of the Movement for a Democratic Slovakia [HZDS] to be a deliberate lie that uses methods that could endanger the foundations of democracy in Slovakia," says the statement given to TA SR by V. Bajan, a member of the Club of Independent Deputies [KNP] in the National Council of the Slovak Republic. He was responding to the allegation made by M. Pridala that V. Bajan had offered him 7.5 million korunas to transfer from the HZDS to the KNP.

Election Commission Selects Chairman

AU1008073694 Bratislava SME in Slovak 5 Aug 94 p 2

[Article by "(bog)": "After Three Attempts, Juraj Nota of the Common Choice Coalition Was Selected as Chairman of the Slovak Election Commission"]

[Text] Bratislava—The first session of the Slovak Election Commission (SVK) was held yesterday. Its members signed the oath prescribed by law in the presence of Prime Minister J. Moravcik. The oldest representative on the 34-member commission, which is made up of representatives from 17 political parties, movements, and coalitions, then selected the SVK chairman and

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

deputy chairman by lot. The lots for the commission chairman had to be cast three times because Jozef Keleman of the Association of Workers of Slovakia and Daniela Janickova of the Movement for a Prosperous Czecho-Slovakia refused to carry out this post. Finally, after the lots had been cast for the third time, Juraj Nota, who represents the Common Choice coalition on the commission, accepted this post. Frantisek Fenik, who represents the Democratic Party, was selected as SVK deputy chairman.

The SVK's registrar and 35th member is Stanislav Becica, the head of the Interior Ministry's Public Administration Department. He told reporters that two political parties, Social Democracy and the Party of the Democratic Center of Slovakia, did not nominate representatives to the SVK. At the next SVK session, on 10 August, its members will draw lots for the numbers to be assigned to all of the entities taking part in this year's parliamentary elections.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Government To Alter Support for Hungarians Abroad

LD0908220594 Budapest Duna TV in Hungarian 1900 GMT 9 Aug 94

[Excerpt] The social-liberal government coalition is going to support Hungarians beyond the border on the basis of new principles. In the future, they will review how much money—and on what grounds—has been transferred to Hungarian organizations beyond the border by various foundations.

[Unidentified correspondent] Csaba Tabajdi, political state secretary at the Prime Minister's Office, would like to avoid mistakes made over the past years.

[Begin Tabajdi recording] Relations between the former governments and the Hungarians beyond the border have not really been impartial. Hungarian communities beyond the border should not be divided by the possibility that a group or trend—on the grounds of ideology or other sympathies—receives special political treatment by the Hungarian Government. It is also inadmissible if there are groups and persons who receive more, and those who receive less financial support.

This can also be applied to the media, since a significant part of Hungarian politicians beyond the border can create their image with the help of the Hungarian mass communication, particularly with the assistance of DUNATV. [end recording]

[Correspondent] Hungarian organizations beyond the border could acquire financial support differently in the future. With the participation of the Hungarian communities, so-called sub-boards [al-kuratoriumok] would be established. They could decide on the financial support of their own organizations. This solution would guarantee that Hungarian communities would be aware of the extent of financial support minute-by-minute. [passage omitted]

Foreign Ministry Press Spokesman Interviewed

LD0908213894 Budapest Kossuth Radio Network in Hungarian 1630 GMT 9 Aug 94

[Excerpts] In the future, the Foreign Ministry's press department will involve itself in trying to influence Hungary's image abroad. But will it not be a sort of new national propaganda office? Istvan Kulcsar has interviewed the new head of department, Zsolt Szalay, who earlier worked at Hungarian radio.

[Begin recording] [Kulcsar] Many Hungarian radio listeners—but not everyone—must remember Zsolt Szalay, the correspondent, reporter, and commentator. However, as there are many new radio listeners I will ask you to introduce yourself.

[Szalay] I completed my studies at the department of international relations of the University of Economics in Budapest in 1967. In this sense, I can say that by joining the Foreign Ministry I have returned to my original profession. Of course I can be accused of never having been a career diplomat. I was a radio journalist throughout from 1967 until 25 October 1993—that was when I ceased to be employed by the radio. [passage omitted]

My departure from the radio was a consequence of the resignation of Csaba Gombar, the Hungarian Radio chairman at the time, and the vesting—on the part of Jozsef Antall, prime minister at the time—of Laszlo Csucs, the Hungarian Radio deputy chairman, with the full radio chairman's authority. The first step was to dismiss me and some of my colleagues who had held leading management positions at the radio under Gombar. I was offered a more subordinate position in production—that would not have been a problem but, since the government's political pressure led to the end of what the radio could have potentially been, I did not wish to be involved in any change aimed at Hungarian Radio becoming the government's private radio. This led to my departure from the radio. [passage omitted]

[Kulcsar] As Foreign Minister Laszlo Kovacs and others have said several times, the Foreign Ministry has very ambitious plans. What does this mean for the new head of the press department—or by its new name the Press and International Information Office?

[Szalay] These plans are linked, in part, with the need to streamline the work of the press department and to adapt it to reality—that is to the requirements which, it seems, were not taken into consideration earlier.

We have two basic areas of activity: Internally—to provide information to the Foreign Ministry leadership, to facilitate decisionmaking, by disclosing the reactions to Hungarian foreign policy, which come from abroad. The other is to shape an image of the country, abroad, among both the Hungarians beyond the border and the non-Hungarians beyond the border, which is genuine, authentic, and corresponds with what is happening in this country.

This in a sense also promotes our endeavors and intentions, it demonstrates that this country is making big efforts in trying to catch up with Europe, it is trying to integrate itself into the European structures, including the EC in the economic and the political sense, and NATO in terms of military policy.

We should like to strengthen this aspect of the international information department's activity—which aims at presenting these endeavors and goals—and we should like to expand it with a strategy-analysis communications group. This of course does not mean that we have considerable means of expansion in terms of personnel. We must manage out of the given funds. The goal of this group would be strategic planning. Our aim would be for the Foreign Ministry to be pro-active rather than reacting after possible events, negative manifestations,

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

responses abroad. Instead we, in advance, should carefully work out, in the longer term, the goals we wish to pursue, we should decide on the countries where we should like to be present, we should decide on the countries where we wish to send large amounts of information material, films about Hungary, newspapers, and books—even if it costs a great deal. We should also decide on those that must be relegated to the background since funds are limited.

I would even like us to work on building a healthy image—taken in the positive sense—in part for the sake of the entire country, in part for the sake of the Foreign Ministry. [passage omitted]

What perhaps is even more important from this viewpoint: We should like to alter the nature and direction of our publications. We have very many English-language publications, which is fine. There is (nothing) in German, there is very little—nothing—in French. In my view there is scope for making savings in the supply of Spanish and Portuguese information material.

A basic problem for me is that we do not have information for foreign countries in Romanian, Slovak, Serbian, Croatian, and Ukrainian. This is nonsensical. This is untenable.

[Kulcsar] If I understand you correctly, the press and international information department takes over the tasks of the National Information Bureau, which is to be wound up.

[Szalay] Not exactly, since we are not engaged in spreading a kind of pink propaganda. I would not give my name to this. I am in favor of providing genuine, authentic information and this is what I have undertaken.

What we would like to do is not paint the sky pink but to show reality. In this sense we will not take over the tasks of the ceased National Information Bureau. In my view, the National Information Bureau was a foreign body in the Hungarian political machinery, since it has been the Foreign Ministry's task to provide information for abroad even to date. [passage omitted]

[Kulcsar] You said that you had practically been removed from Hungarian Radio for political reasons. Now you have been appointed to an important post in the Ministry of Foreign Affairs, where the minister is socialist and the state secretary is from the Alliance of Free Democrats. Does it not follow from this, to a certain extent, that the information service for abroad will be carried out in the taste of the above mentioned parties, or that this information service will be a kind of propaganda, to put it plainly?

[Szalay] I would very much like to avoid it. [passage omitted] However, it is natural that a civil servant has to be loyal to the government of the time. [passage omitted]

[Kulcsar] Finally, let me ask a personal question. Evelyn Forro is the new spokeswoman of the government. She has said in several interviews that she is your partner. On the one hand, for she works in a very similar field—both of you work with information—does it not mean some kind of incompatibility? On the other hand, can the fact that you are partners help you, in a way, to do this work jointly, or better, or on a higher level?

[Szalay] As far as incompatibility is concerned, when it was clear that Evelyn Forro was going to be the government spokeswoman, we asked—I asked—the prime minister, whether he could see any incompatibility, because if that was the case, I would have said no thank you for this appointment at the Ministry of Foreign Affairs. He said there were no legal obstacles of any kind to this. That is all about incompatibility.

I feel that I would rather stay in the background, I would rather carry out strategic, analyst activities, which do not necessarily require everyday publicity. I will not demand publicity that is natural for a government spokesperson.

On the other hand, it is a great advantage for both of us that we can discuss what is happening in the fields we work. We can help each other. [end recording]

Compensation Office Head Views Future Tasks

AU1008073994 Budapest MAGYAR HIRLAP in Hungarian 9 Aug 94 p 9

[Interview with Ferenc Nagy, chairman of the National Compensation Office, by Zoltan B. Kelemen; place and date not given: "The Compensation Office Might Be Given New Tasks"]

[Text] In order to assess the supplementary compensation demands and bring primary decisions, until the fourth quarter of 1995 the Compensation Office will have to work at least as hard as in the past six months when it had 320 more staff, said Ferenc Nagy, the recently appointed chairman of the National Compensation Office [OKKH]. According to his estimate, on the basis of the laws currently in force, some 20 million to 30 million compensation notes can be expected to be issued.

[Kelemen] On the basis of a statement by Justice Minister Pal Vastagh, it is possible that new compensation laws will be made in the near future. At the same time, the government program finds it necessary to end the compensation process as soon as possible. In view of all this, how much room for maneuver will the office have in the future?

[Nagy] The compensation of the Holocaust victims was raised already at the beginning of the compensation process. For the time being, the current statement by the government indicates that the cabinet considers this issue an important legislative task. The same applies to compensation for damages caused by the interstate agreements. It is not yet known what range of people this will affect. It is not certain, either, that our office will be

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

asked to implement the possible future compensation laws. This has precedents in the current state administration practice, for example, the Ministry for Culture and Education oversees the similar issues having to do with church assets. Therefore, for the OKKH, the above information means that new tasks might emerge in addition to the tasks we already have and are giving much work to the office until the end of 1995.

[Kelemen] Does this mean that you are not planning to reduce the size of your staff at the moment?

[Nagy] It is not in my sphere of authority to make a decision on this but I will do all I can to prevent any dismissals until the end of 1995. To make the primary decisions on the basis of the laws currently in force, we will have to do at least as much work until the end of 1995 as in the past.

[Kelemen] What do you have to complete by the end of 1995?

[Nagy] The cases in connection with the so-called No. I and No. II asset compensation laws have mostly been completed, only the demands of a few hundred foreign citizens are being assessed and the court cases are still open. We have more than 20,000 cases in connection with the No. III law on compensation for personal injury, and we would like to finish these by October. In September, we could begin the assessment of the 537,000 asset demands that we have received within the supplementary compensation. Out of the land auctions, only those have not been done where court proceedings are under way to mark out the land to be used. Most of the state land basis has been marked out but, unfortunately, the auctions are being delayed due to the fact that the registries of state-owned land are even more disordered than the others. If we possessed all necessary controlled data—but we do not—then we could begin the auctions in October.

[Kelemen] Your predecessor spectacularly fought for the rights of the originally compensated people, and as a guest, he was present when decisions affecting the process of compensation were made by the State Property Office's board of directors. Will you have a chance to do all this?

[Nagy] One kind of practice has been ended and a new one started here. The government is in the process of reviewing the organizational side and the content elements of privatization, and I am not going to predict what the role of compensation and the compensation notes will be in this. On the basis of what I have heard so far, I do not feel that there is any need for concern. I find it positive that they want to determine the relationship between the originally compensated people and those who acquired compensation notes on the secondary market. I think it is also indicative that the committee operating with the government commissioner for privatization has already visited me. On the basis of this, I hope that important decisions that affect compensation will not be made without consulting us. On my part, I find it most important for a decision to be made on the method of privatization. It is the office's duty to adjust the pace of its work to the privatization decisions.

Workers' Party Chairman Discusses Tasks

AU1008073594 Budapest NEPSZABADSAG in Hungarian 9 Aug 94 p 4

[Report on interview with Gyula Thurmer, chairman of the Hungarian Workers' Party, by unidentified correspondent; place and date not given: "The Time of the Workers' Party Has Now Come"]

[Text] The Workers' Party failed to make it into Parliament in May, just as in 1990. Chairman Gyula Thurmer clearly did not give up and continues to be engaged in politics with unchanged intensity. Among other things, we asked him about his opinion regarding the chances of his party's political survival after two failures.

"After the Socialists' election victory and our own results, there were opinions saying that we should close the door because there is no need for a workers' party," Gyula Thurmer says. "I think, however, that our time has really come now."

According to Thurmer, it is not sure that the government led by the Socialists will remain in the left. "It is possible that, in this marriage, the liberal bride will be the stronger." Therefore, there is a need for an opposition party that criticizes the government from the left, and only the Workers' Party remained to the left of the Hungarian Socialist Party.

Thurmer fears that the voters will turn toward right-wing and extreme right-wing forces if the Socialist government fails. This is why he regards his party's role as important, namely to offer a leftist alternative to the voters.

Asked about the planned changes in the party policy, Gyula Thurmer declared the following: "People did not choose between socialism and capitalism here; instead, they wanted to get rid of the conservative government. It is true that the basic institutions of bourgeois democracy and market economy emerged in Hungary, but there are issues in which there are still possibilities of decision, like how to deal with unemployment and our relations with the neighbors."

The Workers' Party must face the fact that capitalist economic and political relations have emerged in Hungary. The party has regarded this as temporary so far, but it seems that the process has been completed. The Workers' Party would like to continue to represent the losers in this process, losers who are more numerous than the winners. The Workers' Party considers it important to create social equality of chances and justice, so it would like to see a socialist society. "We must face the reality that this will not happen tomorrow. I could jokingly say that we know what our task will be at the

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

time of the socialist revolution, but we must work out our tasks for the few decades or centuries that will pass until then."

Until then, the party must deal with daily political issues and, as Gyula Thurmer pointed out, the latest measures of the Socialist government give them plenty of work. Gyula Thurmer also wrote a letter to Prime Minister Gyula Horn saying that the party observes the measures of the new cabinet as a constructive left-wing opposition. The Workers' Party is convinced that the government has chosen the wrong way to solve the crisis. The party regards the measures aimed at reducing consumption, the forint devaluation, and the planned increase in the value added tax as a dead-end street.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

More on President's 'Attack' on Sejm

WS1008102394 Warsaw TRYBUNA in Polish 10 Aug 94 p 1

[Article by Ewa Rosolak: "President Sues Sejm; Concordat a Bargaining Chip?"]

[Text] It has happened! The president of the Polish Republic has asked the Constitutional Tribunal (the very same tribunal, with whose decisions he does not always agree) to state the incompatibility of the resolution by the Sejm, adopted on 1 July of this year, "concerning the mode of work on the law on the ratification of the Concordat" with the Small Constitution and with constitutional regulations.

While waging his marathonlike presidential campaign, Lech Walesa launched an attack. He decided to use the Constitutional Tribunal in his fight against the resolution by the Sejm, a resolution that is not wanted by the Belweder and the Palace: "First the Constitution, then the Concordat."

In his motion, the president criticizes the Sejm's resolution and claims that, "against the principles of logic and generally binding principles of law," the resolution orders "the Extraordinary Committee to evaluate the text of the Concordat against a legal act that is to be passed sometime in the future; even a draft of such an act does not yet exist."

Even though he has himself submitted a constitution draft to the National Assembly Committee, "for the time being" he does not seem to believe that this law will be successfully passed. He emphasizes that its future "does not depend only on the Sejm and the Senate (the National Assembly) but, first of all, on the result of the constitutional referendum."

In his motion, the president asks the following question: "How then can one determine the future of a bill that was legally submitted in 1994 on coming and uncertain events, the course of which is not really influenced by any of the constitutional organs?"

He answers this question himself and states that it causes "far-reaching effects, disorganizes the functioning of the state, and, first of all, causes a state of uncertainty and a lack of confidence in international relations."

The president further describes the picture of various disasters caused by this resolution of the Sejm and multiplies his charges. Particularly dangerous is the charge that "it violates a number of constitutional provisions," and, in the future, it will put into question the principle of the tripartite division of powers, the right of the Council of Ministers to launch a legislative initiative, Senate participation in legislative work and the president's powers in this work, and the position of the president in the political system—the president as the supreme representative of the Polish state in international relations, as the one who supervises overall control in the area of international relations, and as the organ that ratifies and terminates international treaties.

According to the president, this unfortunate resolution by the Sejm is more dangerous than the worst law passed by the Sejm because "it may paralyze the entire legal order of the state and actually turn all of the other constitutional organs of the state into passive observers."

The president (even though he is known for his declaration on walking on the borderline of the law) refers to the legal state. This concept "also encompasses the principle that says that all state organs should act in line with the law and within the binding law."

The lengthy arguments presented by the president include a rather vague conclusion, in which the president claims that the resolution may be interpreted as "a negative decision deferred in time, a decision that is also dependent on current political events, such as the result of the presidential elections or the determination of the future of the Concordat on the result of the constitutional referendum. It is shameful to make the Concordat a bargaining chip or an element of blackmail of the people and the president."

This emotional conclusion makes one want to ask several questions. However, two questions must definitely be asked. The first one concerns the reasons the president considers the referendum, the most important form of direct democracy, in which the people express their views, as "a current political event."

The other concerns the style characterizing mutual relations between the president and the legislative authorities: Will any decision by the Sejm, elected in free and democratic elections, a decision that is different from the opinion of the president, be considered by the president as blackmail?

SLD Head: Concordat Rescheduled, Not Rejected

LD0908161494 Warsaw Radio Warszawa Network in Polish 1400 GMT 9 Aug 94

[Text] Aleksander Kwasniewski, chairman of the Democratic Left Alliance [SLD], is of the opinion that the Sejm debate on the ratification of the Concordat can be held before the end of this year. According to Kwasniewski, the president's complaint, filed with the Constitutional Tribunal against the Sejm resolution, can facilitate a matter-of-fact discussion on the issue.

[Begin recording] [Kwasniewski] We are awaiting the Constitutional Tribunal's verdict. I think that both the discussion at the Constitutional Tribunal and the discussion by the special commission, which has been set up to discuss the issue of the Concordat, will perhaps eliminate many political tensions and will allow a matter-of-fact exchange of opinions. The way I view it, the deadlines do not have to be very distant, if we take into consideration

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

the pace of work. Both the issue of the Constitution and the Concordat should become clearer in the second half of the year.

[Unidentified correspondent] President Walesa claims that the Sejm has no right to restrict his prerogatives to sign international agreements. Do you agree with this opinion?

[Kwasniewski] According to the small Constitution, which is in force at present, some of the international agreements, particularly the ones that have a bearing on the home legislation, have to be ratified by the Sejm. In this sense, a restriction does exist. The decision made by the Sejm does not mean the rejection of the Concordat. It only means that the final vote on the ratification has been rescheduled. So, I think that all of these very agitated statements are far from the truth. I think the Concordat will simply find its way back to the Sejm in the next few months. [end recording]

Election Results, Center-Right Strategy Viewed

94EP0078B Warsaw LAD in Polish No 29, 17 Jul 94 pp 1, 6

[Article by Maciej Letowski, editor in chief of LAD: "Italian Variant"]

[Text] The class to which politicians belong is determined not by how they conduct themselves during times of success and praise, but mostly by how they conduct themselves during times of defeat and weakness. A setback can lead to defeat, but it does not have to. It does not have to if the politician is able to quickly and completely change his behavior. The politicians in the Polish center-right were subjected to such a test this year. Let us admit that the results of the self-management elections gave them good grades.

Immediately after the setback in the parliamentary elections, the leaders of the right found themselves under strong pressure from the opposition inside the party. "The leaders of all of the rightist parties were guilty," said Jan Lopuszanski (ZYCIE WARSZAWY). These parties have some internal accounting to do, and then a new, young generation of rightist poliicans should seek a conciliation. ZChN [Christian-National Union] was no exception. Slawomir Siwek in the PC [Center Accord] made similar statements.

But the leaders of the rightist parties were able to control the intraparty rebellions. Only Jan Olszewski lost his position as head of the RdR [Movement for the Republic] and was replaced by Romuald Szeremietiew. But it often happens that, when rebellions in the lower party ranks are pacified, the leaders return to their old mistakes. Fortunately, this time that did not happen. A general appeal for unification of the center-right was heeded. The five strongest parties (ZChN, PC, PL [Peasant Accord], RdR, and KK [Conservative Coalition]) formed a confederation called Alliance for Poland. Wieslaw Chrzanowski and Jaroslaw Kaczynski deserve a great deal of credit for this. An organization called 11 November Accord was also formed, made up of the rest of the rightist parties: the PChD [Party of Christian Democrats], PK [Conservative Party], UPR [Union for Real Politics], and SLCh [Christian Peasant Party].

But we waited rather long for news on the integration. The Alliance for Poland was not organized until May, scarcely a few weeks before the self-management elections. At that time, all of the circumstances pointed to the fact that, in an elections confrontation, the left would win. "We truly will not lose these elections. This stems from a realistic assessment of social moods and our program to deal with them," the leader of the SLD [Democratic Left Alliance], Kwasniewski, assured his supporters at a rally in the "Bagatela" Krakow theater. His good humor was not dampened by the banner unfurled by the opposition, reading: "Kwasniewski! Krakow is not your city!" Then the leader of the PSL [Polish Peasant Party], Pawlak, appealed: "Mobilize our people: the Volunteer Fire Brigade, the bankers, and the members of the cooperatives." Naturally, the postcommunist left mobilized the best of what it had. In Leszno, for example, it put up a former Security Service major. "He tried to talk us into cooperating and blackmailed us with long-term prison terms," an interned Solidarity activist recalls about him today. "He worked as an interrogator because that was his job," the head of the SLD in Leszno, Deputy Gorzelanczyk, cynically defended his candidate.

All of the preelection polls also drummed consistently into our ears: The SLD will win, the PSL will win, and the rest of the votes will be divided between the Union of Freedom and the Union of Labor. No place on the podium for the right wing was predicted, not by the Center for Research on Public Opinion (OBOP), not by the Public Opinon Research Center (CBOS), and not by Demoskop. Maybe at least these firms will explain themselves to the public. We are waiting.

The election results were a great surprise to most of of the observers. The rightists won a significant victory, particularly in the large cities. In 10 voivodship cities, it won most of the seats in the councils (Biala Podlaska, Bialystok, Krosno, Lublin, Przemysl, Rzeszow, Siedlce, Nowy Sacz, Suwalki, and Lomza). In 15 voivodship cities, the right won the second-largest number of seats. And, although the postcommunist left came out better, the "Post-August Poland" forces (the right plus Union of Freedom) can take over the government in most of the cities. They can, if the Union of Freedom does not go to the left on the advice of Jacek Kuron. If that happens, Poland will not follow the example of Hungary, where the postcommunists entered into an alliance with the thus-far oppositional free democrats. Rather, in Poland the Italian variant will be implemented. In Italy, for decades the bloc of democratic parties treated the communist party, with its large electorate, like a pariah.

It also appears from available information that the forecast about the domination of the PSL in the rural

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

gminas was not reliable. Of course, the PSL is a very influential party there, but not as much as could have been feared. The PSL also lost the fight for the smalltown voter. As a result, any dreams for an evolution of the PSL in the direction of the people's party, the Christian party, can also be forgotten. Mr. Andrzej Micewski can close his shop immmediately.

The plan for a postcommunist left was as follows: in 1993, the Sejm, the Senate, and the government; in 1994, the gminas; and, in 1995, the presidency. We, the voters, frustrated this plan in midcourse. This may be a good omen. The cooperation of the "Post-August Poland" forces in the gminas may bring about cooperation during the presidental campaign. Jaroslaw Kaczynski has for a long time promoted the viewpoint that there must be a joint candidate, not necessarily a person directly from the right. It seems that Tadeusz Mazowiecki now says: We need a candidate who is "broader than the Union." In the fall, the gentlemen will have to make a binding decision.

What are the reasons for this setback for the left and the success of the right? A relative setback and a relative success, of course. The commentators have already pointed to the left's disappointment. A year ago they promised so much that the disappointment was inevitable. In the future, it will only become greater. Also, the center-right parties entered not only on the road of integration before the elections (Alliance for Poland), but also into the broadest possible coalitions (for example, in Poznan the coalition included as many as 14 organizations). Naturally, all of this had an effect.

But the right would not have been successful had it not been for the position of the church, clearly different from a year ago. Of course, the preelections intervention of the church was not caused by sympathy to the right that had lost a year ago, but by the unrest stemming from the threat to the important moral values in public life. Let us say more strongly: The church spoke out when it was forced to do so by the provocative and arrogant attitude of the postcommunists. Last year, they wanted to impose a tax on the income of the church from the "collection basket," and this year they have already made a proabortion coup d'etat. They are ruthlessly delaying the ratification of the Concordat. There is now talk about throwing the teaching of religion out of the schools. The left believed that this will be the fulfillment of preelections obligations, that, from the standpoint of the elections, this would pay off for them. But the postcommunists went too far, to their misfortune and our good luck.

But, in taking joy from the success of the right, let us not lose our heads or muddy up the situation. The church, to a large degree, deserves credit for the success, and not the right itself. These parties did not attract voters by their program. I saw almost no leaflets or placards. I know that there was no money for this. Also, people voted for the right simply because it was the opposition. Thus, it obtained votes from people who were unsatisfied, who sometimes give their votes to the KPN and sometimes to Tyminski. This time, we received those votes. But this is not a solid base of social influences.

What, then, should be done next? First of all, we expect from our politicians further rapid and consistent integration. Fourteen organizations on the Polish center-right, even when they form a joint coalition, is not an overabundance. "Voters need one right, one body to represent them," Kazimierz M. Ujazdowski correctly perceives this. And he is right when he says that the Alliance for Poland has become the core of the Polish center-right. Where UPR and the KPN began by themselves, they lost. They obtained votes only when they worked together with the Alliance.

The second condition for success is a program that is readable for the broad masses. The Democratic Union, in joining with the liberals, removed "social market economy" from its program. Thus, this offer to the liberals is available. Textbook liberalism a la UPR is good in seminars or newspaper columns. The center-right electorate is not Bagsik, Switalski, Gawronik, or Baranowski. The center-right electorate is the advocates of a free market and private enterprise, but tempered with reasonable state interventionism. This electorate wants to go to Europe, not to the Third World. The pope's social encyclicals are worth reading. I swear to you that they do not proclaim socialism, as our liberals maintain.

And the third condition for success is concern about the media and how we look to them. It is the building of influences in scientific, literary, and opinion-making circles. I know that the right, by its very nature, places higher value on people of money than on people of the arts. But our right cannot yet afford such luxury—first of all, because it does not have the ammunition.

Legislative Work for Implementation of 'Strategy'

WS1008102194 Warsaw ZYCIE WARSZAWY in Polish 10 Aug 94 p 8

[Article by Jerzy Krajewski: "Strategy for Poland; Kolodko Wants To Flood the Sejm With Laws; Will Sejm Deputies Engage in a Nonstop Session?"]

[Text] *It will be hard to adopt laws indispensable for the implementation of "Strategy for Poland" before the end of this year, says Ryszard Pietrzak of the Sejm's Legislative Office. The close associate of Deputy Prime Minister Kolodko is convinced, however, that it will be possible to adopt the most urgent legal documents.*

Deputy Prime Minister Grzegorz Kolodko has asked Sejm Speaker Jozef Oleksy for the Sejm to prepare for a speedy adoption of a group of 24 laws necessary for the implementation of "Strategy for Poland."

"It is very hard for me to imagine that these laws could be adopted before year's end, even if some of them were

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

to be submitted to the Sejm labeled 'urgent,'" Piotr [as published] Pietrzak of the Sejm's Legislative Office told ZYCIE WARSZAWY. "It can be concluded from what the deputy prime minister writes that he wants the laws to be adopted before the budget, meaning by mid-October, because the laws will impose certain financial solutions. I do not know how the Sejm is supposed to meet the deadline, especially given that some laws surrounding the budget will have to be added, as well. I think Sejm commissions will have to work on a nonstop basis."

"What Deputy Prime Minister Kolodko sent us does not look like an official position by the government but, rather, like an announcement preceding such a position. Only problem titles can be concluded from the letter. It is not known precisely what kinds of laws these will be, what their scope will be, or whether they will be comprehensive or brief. One can already see at this point that there may be fewer of them. The deputy prime minister writes, for instance, about a law on taking banking supervision away from the National Bank of Poland and about another law concerning the establishment of a central agency in the form of a State Office of Banking Supervision. These could as well be settled with just one law," Pietrzak says.

Marek Wagner, a director general at the Office of the Council of Ministers, is aware of the lack of time but is convinced that it will be possible to adopt the most indispensable laws: "Some of the draft laws submitted by Deputy Prime Minister Kolodko have already reached the Sejm—for instance, amendments to the Labor Code—while another set was debated by the Council of Ministers, such as, for instance, a law on accounting practices, a law on special economic zones, and a law on taxpayer identification. These will reach parliament in the very near future. There could be some problems with new laws resulting from the "Strategy" program. Teams for the creation of these laws were established on 12 July. They have already prepared guidelines, which must be approved by the Council of Ministers. Then, we will see the creation of draft laws that, after they have received a positive evaluation from the government, will reach the Sejm. We adopted the mode of proceedings and interministerial decisions under which some of the new draft laws will reach parliament at the end of August, so I hope the Sejm deputies will have plenty of time to make them law," Wagner hopes.

Condition, Future of Foreign Trade Discussed

WS0908140094 Warsaw RZECZPOSPOLITA in Polish 8 Aug 94 p 8

[Article by Michal Bichniewicz: "Polish Foreign Trade in 1994; Prospects for Exports Brighten"—table not included]

[Text] Everything seems to indicate that, after three lean years, our foreign trade has started to overcome the recession. The most recent statistical reports provided by the Central Office of Statistics [GUS] confirm our earlier information.

In line with the preliminary data, Polish exports in the period from January to May of this year amounted to $6.1 billion, and imports to $7.4 billion. The balance of the trade turnover was adverse—$1.3 billion—which means a 60-percent decrease in the size of the deficit (by $800 million) in comparison with its size after the first five months of last year. The export growth rate, calculated in U.S. dollars, amounted to 11.2 percent. Imports, in turn, showed a 2-percent decline. Thus, the trend for exports to grow faster than imports has been reinforced. The greatest increase in the trade transaction volume was observed in trade with the East-Central European countries and the states of the former Soviet Union [SU]. Imports from developed countries, especially from the European Union [EU], which has been growing rapidly in recent years, decreased for the first time and reached the level of 1.6 percent below the level noted a year ago.

Our main trade partner has for several years now been Germany. Its share in our exports amounted to 34 percent, and in imports to 31 percent in the period in question. The balance of the transactions with Germany was positive—$60 million. Our other export partners are: Great Britain (7.7 percent), Russia (5.4 percent), the Netherlands (4.9 percent), Italy (4.7 percent), and France (4.6 percent). We import products from Italy (7.6 percent), the Netherlands (5.5 percent), Great Britain (5.2 percent), and France (5 percent).

A relatively low position in our trade is occupied by the United States, with a 3.8-percent share in our exports and a 3.2-percent share in imports. The rapid increase in the value of our exports was primarily the result of the greater sale of the products of the food industry and agricultural products: beverages, processed meat, and fruit. Sugar exports increased 49-fold, which is a record. The decrease in the value of our imports was a consequence of a fall in the imports of agricultural products: fresh fruit and condiments, as well as a low level of metallurgical products and the products of the machine and electrical-engineering industry.

The Unchanged Structure

The GUS data on changes in the structure of the transactions, divided into groups in the period between January and May, show that the desirable changes in the export structure are not taking place. The structure is still dominated by raw materials, semimanufactured articles, and not-fully-processed products.

Traditionally, a high position in our exports is occupied by raw materials: coal, coke, copper, and silver. Over the first months of this year, the exports of these raw materials maintained its share in transactions abroad. Because of sharp competition on world markets and the falling demand, it is difficult to achieve a considerable increase in the exports of these materials. An increase in

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

their extraction would also entail substantial investments, which, under the circumstances of falling profitability of the investment in the development of mining, due to unfavorable geological conditions, is practically impossible.

The second commodity that is traditionally part of our exports is agricultural-and-food articles. If we take into account the principles of trade liberalization of these articles, found in the association treaty, and the protectionist attitude of the EU states, shaped by their strong and rich agricultural lobby, the accomplishments of Polish exports in the first half of the year must be considered a great success. It is not certain, however, whether this trend will be maintained in the future.

Our third specialty is semimanufactured products and not-fully-processed products: semimanufactured steel products, rolled products, ships, and the products of the light industry—clothing and fabrics. The share of these products in the period between January and May of this year decreased slightly. This is because most of them belong to so-called sensitive goods, whose import is particularly limited by EU governments, both for social reasons (such as protection of workplaces) and for strategic reasons.

GUS data concerning the first half of 1994 do not include any signs of structural changes in our exports that would be favorable to our economy. First, there are no symptoms of improvement in the competitiveness of Polish processed goods. On the contrary, the share of the products of the machine and electrical-engineering industry as well as of the chemical industry decreased in comparison with the same period last year.

Private Trade

The importance of the private sector in foreign trade is rising rapidly. Its share in our imports amounts to 65.4 percent and in exports to 48.2 percent. The transaction volume of this sector is increasing dynamically, as well. In the period between January and May of this year, exports increased by 76.6 percent and imports by 44.4 percent. The development of the private sector is related to full liberalization of trade, introduced in 1990, and to rapid privatization of state-owned foreign trade centers.

Everything seems to indicate that this trend, the increasing share of the private sector, will also be maintained for a few years to come. Probably toward the end of this year the volume of its transactions will be greater than that of the state-owned sector, which will give rise to a new configuration of forces in this branch of the economy. As we learned from Zbigniew Ostrowski, press spokesman of the Ministry of Foreign Economic Cooperation, the following foreign trade centers are now waiting to be privatized: Animex, Polimex Cekop, Centrozap, Budimex Trading, and Investeksport. Preparatory work has already started in Impexmetal and Polservis.

What causes concern, however, is the fact that foreign trade in private companies shows a considerable deficit. Private firms import goods much more readily than they export. This is because it is easier to import than to export. Exporting requires more time and experience; moreover, organizational structures must be established abroad.

A Smaller Deficit

Data published by GUS prove that the trend for an adverse balance in Polish foreign trade to increase has been curbed. Last year this deficit reached a record-breaking sum of minus $4.7 billion. Despite the favorable increase in the exports value, what causes concern is a lack of structural changes in exports. It must be stated that the sustained deficit is a consequence of the backward structure of exports, which is dominated by raw materials and products that have been processed to only a very small degree.

Among positive trends, we should also count the return of Polish firms to the Eastern market. It is worth recalling that one of the reasons for a decrease in exports, and, as a result, an increased deficit in trade transactions, was the reorientation in foreign trade that was enforced by the disintegration of the Council for Economic Mutual Assistance. As recently as 1990, the countries of Central-East Europe and the former SU constituted 22 percent of Polish exports. The considerable increase in the share of the Eastern markets in our exports in the first five months of the year allows us to look at the future optimistically.

The lasting development of exports requires a consistent economic policy and, primarily, a consistent industrial policy, a policy that will bring about desirable changes in the structure of the economy and, as a result, changes in the structure of exports. The situation may also be partially improved by an energetic foreign policy, whose aim would be to break protectionist barriers of our trade partners from the EU or the United States. This policy is particularly important if we want to think about further increasing the sale of our traditional export commodities.

Ministry Outlines Rural Development Strategy

WS0908104894 Warsaw NOWA EUROPA in Polish 9 Aug 94 p 3

[Article by S.A.: "Agricultural Strategies; Problems of a Universal Peasant"]

[Text] *The transformations in rural areas will last for 10-15 years because they cannot take place through prohibitions and orders. The rate of transformations will be determined by the activity level displayed by gminas [small administrative units] themselves, said Katarzyna Duczkowska-Malysz, deputy agriculture and food management minister, during a conference devoted to a program entitled "The Development of Rural Areas." It is part of the "Strategy for Poland."*

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Rural areas have been stricken with typical deficiencies afflicting areas lying outside of main population centers, the deputy minister says. These deficiencies include unemployment, an obsolete socioprofessional structure that is dominated by the model of a universal peasant and by a complete lack of such occupations of the new generation as electrical technicians, legal experts, and precision mechanics. Moreover, only 7 percent of gminas deem their infrastructures as sufficient. A lack of supplies of clean water, roads, and telephones will not attract capital to rural areas.

The development of rural infrastructure will be financed through the state budget. Farmers will have to take out loans, however, for the modernization of their farms. Three types of farms may in fact be identified: active farms that can manage without anybody's help, farms that are going through modernization measures with the state's assistance, and, finally, farms that are abandoning agricultural activities or finding it impossible to cope with free market rules. In the opinion of the authors of "The Development of Rural Areas," farms included in the last group mentioned, especially those whose areas are between 2 and 10 hectares, will most probably be dissolved. Research indicates, says Katarzyna Duczkowska-Malysz, that there will occur a process of establishing very small farms (which is a consequence of unemployment), as well as farms that are larger in size than what we have had up to now. The National Council of the Independent Self-Governing Trade Union of Individual Farmers does not, however, agree with the contention that a large number of farms will have to be dissolved. According to council estimates, about 900,000 farms will be left (the current number is 2.5 million). The council is skeptical about the development of extraagricultural types of activity in rural areas, and its view is that farmers from the farms that will be dissolved will simply join the ranks of the unemployed. The governmental program, on the other hand, envisions that the newly unemployed people will be absorbed by the extraagricultural sector (small business, trade), which has been developing in rural areas. There are many hopes associated with the development of food and agricultural processing in rural areas, and also with educational/training activities that would make it easier not just to acquire agricultural expertise in rural areas but also to complete courses adapting graduates to the requirements of extraagricultural occupations.

According to program assumptions, typically agricultural activities are to be made easier by agricultural chambers that are being newly established right now, which would deal with organizing the necessary contacts in the area of turnover. Activity levels by gminas are widely diversified, the deputy minister notes. Research indicates that there are gminas that managed to establish over 5,000 new jobs over a period of four years, but there are also some gminas that have not succeeded in establishing even 50 new jobs. It is precisely these activity levels that will largely determine whether the agricultural strategies will be a success.

Debate on Amendments to Laws on Police Powers

WS1008085794 Warsaw ZYCIE WARSZAWY in Polish 10 Aug 94 p 4

[Article by Piotr Zaremba: "Police Laws Have Reached the Sejm"]

[Text] *The Sejm is to debate before the end of August a batch of amendments to police laws that have been submitted by Prime Minister Pawlak's government. The goal of the amendments is to increase police powers. This was suggested as early as 1992 by the Suchocka government, which believed that regular methods were no longer effective or sufficient to fight organized crime.*

In accordance with demands put forward by Andrzej Milczanowski, chief of the Internal Affairs Ministry [MSW], the Suchocka government adopted in September 1992 a document entitled "A Safe and Just State." The minister wanted to see changes to the so-called police laws—that is to say, those laws that pertain to the MSW, the police, and the Office of State Protection [UOP].

The new provisions were supposed to make it possible to introduce the institution of key witness.

Another proposal put forward by Milczanowski's ministry was to allow so-called controlled purchase, controlled delivery, and supervised delivery. The MSW also demanded a widening of the range of situations in which wiretapping could be used, as well as more flexible legal provisions concerning the use of firearms by police officers.

Disputes among ministers delayed the implementation of the document's main guidelines. The Justice Ministry (headed at the time first by Zbigniew Dyka and then by Jan Piatkowski, both of the Christian-National Union) resisted the introduction of key witness and, instead, proposed to simply strengthen powers associated with the extraordinary mitigation of punishment for those criminals who cooperate with the police. Public prosecutors and judges expressed their opposition: "It is an immoral thing to buy testimony from a criminal in return for providing him with impunity," protested Andrzej Murzynowski, chairman of the Supreme Court's Criminal Chamber. The Justice Ministry also demanded increased controls over the police in cases in which provocation or wiretapping would be applied.

In the summer of 1993, the Suchocka cabinet adopted a draft law on key witness. The new government (of Pawlak) submitted the draft law to the new Sejm. A paradox developed: The governing parties—the Democratic Left Alliance [SLD] and the Polish Peasant Party [PSL]—launched an attack on the draft law submitted by their very own Council of Ministers. There was unofficial talk that they did it to spite Milczanowski, who was an "alien element" within the government and who was supported by the Belweder.

The idea was opposed particularly by Justice Minister Wlodzimierz Cimoszewicz of the SLD, who said that key

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

witness is an institution alien to Polish law that is based on the principle that every criminal should suffer his punishment. Sejm deputies for the PSL, the SLD, and the Union of Labor joined Cimoszewicz's criticism and rejected the draft law on its first reading in December of last year, even though opposition members of parliament, those for the Democratic Union, the Confederation for an Independent Poland, and the Nonparty Bloc in Support of Reforms, were trying to make the argument that the draft law should at least be submitted to a Sejm commission hearing.

In an atmosphere of public fear incited by rising crime rates, the Pawlak government adopted a batch of amendments to police laws in June of this year, except for key witness, which proved to be the most controversial part. As demanded by Cimoszewicz, measures such as "controlled purchase," "controlled delivery," and "supervised delivery" must all receive official approval (or they could possibly be blocked by the attorney general, who is justice minister at the same time).

The power to install wiretapping devices is to be expanded. Up until now, the power could only be legally applied in homicide cases, as well as against criminals prosecuted on the basis of international conventions. From now on, wiretapping can also be applied against those suspected of kidnappings, terrorist acts, bribery, dealing in weapons or drugs, and major economic swindles. Installing wiretaps would require the attorney general's consent. UOP is to be empowered with the right to conduct investigations in economic crimes, while the police will be able to use firearms with greater flexibility.

All deputies clubs support the idea of debating the draft laws immediately after the summer recess.

The institution of key witness was also opposed on the grounds that one should not provide protection to a witness/criminal in a situation where witnesses/honest citizens are in danger. Faced with that, a group of Sejm deputies for the PSL submitted a draft law that would provide protection to ordinary witnesses in certain situations—for instance, by keeping their last names or faces secret.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

UN: Snipers Claim Serb Victims Near Sarajevo

AU0908145794 Paris AFP in English 1437 GMT 9 Aug 94

[Excerpt] [No dateline as received]—Bosnian Serb girl, man killed by Bosnian snipers [UN] Protection Force (UNPROFOR) said Tuesday [9 August]. [sentence incomplete as received]

The woman, aged 18, and man, aged 55, were hit Monday in the village of Hadzici, south-west of the Bosnian capital, UNPROFOR spokesman Rob Annink said.

It was the first time since the resumption of shooting around Sarajevo last month that the UN reported Serb victims on the frontline.

Serb snipers have killed two and wounded 20 mainly Moslem Bosnian civilians in the last two weeks but have remained silent since Saturday, as UNPROFOR tried to get backing for a no-shoot agreement on both sides.

In the meantime, it has been strengthening security in the most exposed parts of the capital. [passage omitted]

Tank Reported in Exclusion Zone

AU1008093994 Paris AFP in English 0843 GMT 10 Aug 94

[Text] Sarajevo, Aug 10 (AFP)—A tank has been spotted in the heavy weapons' exclusion zone around the Bosnian capital, the UN said Wednesday [10 August].

Major Dacre Holloway, UN protection force spokesman, said it was not clear if the tank was Serb or Bosnian.

This is the first report of an exclusion zone violation since NATO planes destroyed a Serb armoured vehicle there last Friday.

The tank was in the northern region of the 20-kilometre (12-mile) exclusion zone and was moving southeast towards Sarajevo, the spokesman said.

"We're keeping an eye on it," he said, but did not say if NATO observation planes had been asked to participate in the operation.

The UN force has radars and ground patrols with which to control movements in the exclusion zone, set up at the end of February, where 281 Serb heavy weapons and 42 Bosnian heavy weapons are under UN control in nine collection points.

The tank came from a sector on the edge of the exclusion zone where Bosnian troops are gaining ground on Serb fighters.

Holloway said meanwhile that Wednesday's meeting between Lieutenant General Sir Michael Rose, commander of the UN troops in Bosnia and the head of the Bosnian Serb army, General Ratko Mladic, had been cancelled.

He would not give details as to why the meeting had been called off.

Aid Planes Land in Sarajevo

AU0908174294 Paris AFP in English 1721 GMT 9 Aug 94

[Article by Jacques Charmelot]

[Text] Sarajevo, Aug 9 (AFP)—Thirteen aid planes landed in Sarajevo Tuesday as the humanitarian airlift into the city resumed after an 18-day suspension, a UN spokesman said.

But the spokesman warned that the supply line into the city, effectively under Bosnian Serb siege since late July, remained fragile.

Peter Kessler, Sarajevo spokesman for the UN High Commissioner for Refugees (UNHCR), said the 13 planes, carrying flour, tinned fish, beans and blood for the city hospitals, landed without incident.

Fourteen planes had been due to land Tuesday but one flight was cancelled, Kessler added. He stressed it had not been annulled on safety grounds.

He said the restoration of the airlift was "a sign of renewed stablity" but warned that "as it is the only means of access to Sarajevo it remains extremely fragile."

The vast majority of Sarajevans are dependent on bi-monthly food distributions and the UNHCR needs 2,400 tonnes of food every two weeks to keep up with demand, he said.

The UNHCR had warned Monday that its Sarajevo food stocks were exhausted and that the city's 380,000 inhabitants were at risk of suffering huge food shortages as a result of the Serb blockade.

Over the last fortnight Bosnian Serb forces have blocked the two last safe roads into the city, previously kept open to civilian transport and hundreds of aid trucks a week under an agreement signed in March.

The UN Protection Force [UNPROFOR] commander in Bosnia, General Michael Rose, told the Sarajevo daily OSLOBODJENJE Tuesday that the Serbs apparently had no plans to reopen the routes in the near future.

The airlift was suspended on July 20 after five UNHCR planes were targeted by suspected Serb gunfire which wounded two passengers.

It resumed for a few hours Friday but was suspended again after three flights. That same day, North Atlantic Treaty Organisation warplanes attacked a Serb anti-tank gun deployed inside the heavy weapons exclusion zone surrounding the city.

Ron Redmond, another UNHCR spokesman, said earlier Tuesday the airlift was back on because Sarajevo had been calm since Saturday and the "countries participating (in the airlift) are satisfied that the security conditions have stabilised."

Serb snipers have killed two and wounded 20 mainly Moslem Bosnian civilians in the last two weeks but have

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

remained silent since Saturday, as UNPROFOR tried to get backing for a no-shoot agreement on both sides.

Meanwhile UNPROFOR spokesman Rob Annink said a Bosnian Serb teenager had been killed by a Bosnian sniper in a Serb village near Sarajevo.

The woman, aged 18, was hit Monday in the village of Hadzici, southwest of the Bosnian capital.

It was the first time since the resumption of shooting around Sarajevo last month that the UN reported Serb victims on the frontline.

Rose Threatens Air Strikes To End Fighting

AU1008103794 Paris AFP in English 1018 GMT 10 Aug 94

[Text] Sarajevo, Aug 10 (AFP)—The United Nations on Wednesday [10 August] warned Bosnian Moslem and Serb warring parties it was prepared to use all means necessary, including air strikes, to end their fighting northwest of here.

The fighting is posing a threat to the UN exclusion zone set up around the city.

UN General Michael Rose issued the warning in a letter to the belligerents on Wednesday.

UN spokeswoman Claire Grime said air strikes were a possibility but only if the parties rejected a proposal to deploy a buffer force between them.

Both Sides Warned

AU1008125294 Paris AFP in English 1237 GMT 10 Aug 94

[Report by Jacques Charmelot: "UN Threatens Use of Air Strikes If Exclusion Zone Violated Again"]

[Excerpts] Sarajevo, Aug 10 (AFP)—The United Nations warned Bosnian Serbs and Moslems on Wednesday [10 August] that it would not hesitate to use air strikes if the warring sides continued to violate the heavy weapons' exclusion zone around Sarajevo.

It was the first time the UN Protection Force had made such a clear-cut threat to resort to possible air strikes against the mainly Moslem Bosnian Army positions.

However, the UN Protection Force (UNPROFOR) stressed this would be a last-ditch resort in case a proposal to put UN soldiers on the northwest boundary of the zone as a buffer force was rejected.

No time limit to the buffer force offer being accepted was set, although UNPROFOR spokeswoman Claire Grimes said it was "not open-ended."

The warning came in a letter sent by Lieutenant General Sir Michael Rose, the UNPROFOR commander in Bosnia, to the Bosnian Serb leader in the Sarajevo region, Dragomir Milosevic, and to Bosnian Vice President Ejup Ganic.

General Rose told "both sides that he has been informed of serious breaches of the TEZ (total exclusion zone) and reminded both sides he would use all available means if necessary to deter these attacks under the NATO ultimatum," Grimes said. [passage omitted]

Rose's warning underlines UN concerns at the upsurge in fighting in the past few days in the northwest sector of the besieged city around Visoko and Breza, which has spilled over into the exclusion zone. [passage omitted]

The UN counted 400 artillery explosions in the sector between Monday and Tuesday, said UN military spokesman Major Rob Annink. However, the situation was calm Wednesday at midday he said.

On Tuesday the fighting spread to Ilijas, held by the Serbs and just 15 kilometres (nine miles) from Sarajevo, therefore inside the exclusion zone.

The inclusion of Ilijas in the fighting zone could indicate that the Bosnians have advanced by several kilometres but Annink refused to confirm that the front line in this region had moved.

Rose's warning opens the possibility that the United Nations may ask NATO to undertake air strikes both on Bosnian and Bosnian Serb positions, said Grimes.

An air strike request against the Bosnians would, however, be resisted by the United States, which considers that Sarajevo has the right to try and regain territory taken by the Serbs, said a diplomat speaking on condition he not be named.

But "the use of force is not what we would like to use. We also proposed interpositioning of troops. We will use all means to diffuse the tension in the area, one of them is interpositioning," said Annink.

A previous offer to interposition troops in a nearby region north of Saraejvo, the Vares corridor, was accepted by the Serbs and rejected by the Bosnians.

Meanwhile, the Croat-Moslem Federation president said the Bosnians were prepared to talk to dissident Moslem leader Fikret Abdic in order to secure an "urgent and uncon[illegible]itional" end to the fighting in the Bihac enclave.

Kresimir Zubak said he had met with top level military and civilian officials in Bosnia-Herzegovina. These officials "were prepared to end military operations in the Bihac enclave" he said. [passage omitted]

Demilitarization Plan Presented

AU0908163894 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 9 Aug 94

[Text] Ejup Ganic, member of the state Presidency and vice president of the Bosnia-Herzegovina Federation, today received General Michael Rose, UN Protection Forces [UNPROFOR] commander for Bosnia-Herzegovina, at Rose's request.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

(?Direct) talks examined certain issues regarding the demilitarization of the Bosnia-Herzegovina capital as well as the situation [words indistinct]. The talks were attended by Brigadier General Mustafa Hajrulahovic and Brigadier Iset (?Ahmic).

Gen. Michael Rose, UNPROFOR commander for Bosnia-Herzegovina, proposed that all heavy arms be pulled out of Sarajevo as a part of total demilitarization of the town. According to his proposals, each of the sides would get back the arms that the United Nations is guarding in the ammunition depots and remove them from the 20-km exclusion zone around Sarajevo.

The Blue Helmets had received no orders to withdraw from Bosnia-Herzegovina and [words indistinct] that they can contribute toward the restoration of peace, the UNPROFOR commander, British Gen. Michael Rose, stated in Sarajevo. He stressed that even in the future, UNPROFOR will not use force to impose any solution. The speedy creation [words indistinct] that will be ordered by the UN Security Council. (?The true question) is not what the peace troops will do, but what the world is willing to do to resolve the problem of Bosnia-Herzegovina, (?he said).

He confirmed that after the action of NATO aircraft there are no longer any heavy arms within the Sarajevo exclusion zone that are not under UN control.

Gen. Rose stated today that he hoped for a meeting with the Serbian commander, Ratko Mladic, at which they would try to find a solution for the present blockade of Sarajevo.

Abdic Seeks 'Political Solution' in Zubak Letter

AU0908175094 Paris AFP in English 1731 GMT 9 Aug 94

[Text] Zagreb, Aug 9 (AFP)—Thousands of civilians and soldiers loyal to renegade Moslem leader Fikret Abdic fled the Bihac enclave in northwestern Bosnia for the Croatian Serbs' self-proclaimed Krajina republic, UN sources said Tuesday.

Abdic has been fighting Bosnian Government troops in Bihac since 1993 when he proclaimed the "autonomous province of Western Bosnia." The Krajina Serbs have supported his campaign.

Some 5,100 civilians and more than 1,400 Abdic soldiers, including an entire division of crack troops, fled overnight Monday, crossing into Croatia, said UN spokesman Paul Risley. The mass exodus could mean "the end of Abdic forces as operational fighting units" and their "collapse" Risley added.

On Tuesday, troops of the mainly Moslem Bosnian Government loyal to President Alija Izetbegovic were less than 10 kilometers (six miles) south of Abdic's stronghold of Velika Kladusa. It is estimated the dissident Moslem leader now controls less than 20 percent of the Bihac enclave, Jean-Francois Philippe, UN Protection Force (UNPROFOR) commander in Bihac, said Tuesday. According to Philippe, the Bosnian Government victory owed more to desertion by opposition troops than to Bosnian military prowess. In the past three days, only nine Bosnian troops have been wounded, he said.

Risley said UNPROFOR was "alarmed" by a "potentially very dangerous" situation. Abdic's soldiers "are in uniform and are armed and I am not sure how Krajina Serb forces feel about seeing them arrive," the spokesman said. Abdic's whereabouts was unclear Tuesday. Sarajevo radio said the dissident Moslem leader had fled to Knin, capital of Krajina.

However, Philippe said in his opinion, Abdic was still in Velika Kladusa from where he was trying to work out some sort of face-saving agreement with Sarajevo and representatives of the Croat-Moslem Federation.

AFP obtained a copy of a letter to Kresimir Zubak, president of the Croat-Moslem Federation, in which Abdic called for a "political solution" to the Bihac situation. It was vital, Abdic said, that all disputes in western Bosnia are solved by political means "in order to save the peace-loving population (of the region) from further fighting and needless suffering."

In the letter, Abdic said he supported the accord, brokered by Washington, which set up the Croat-Moslem Federation earlier this year and asked Zubak to "take account" of this position.

Finally, he called on the Croat-Moslem Federation "with the help of the international community and based on the Washington accord" to find a solution which would lead to a lasting peace in western Bosnia.

Unconfirmed reports from Belgrade's independent BETA agency said Abdic would flee to Zaire on leaving Bihac.

Meanwhile, the Bosnian Presidency decided Tuesday to offer an amnesty to Abdic's soldiers, Sarajevo radio reported.

The radio quoted a communique issued by the collective presidency as saying the amnesty would be offered to those "who did not commit any crime and who surrender in eight days to the Bosnian Army."

Philippe estimated Velika Kladusa would fall within 24 hours once Abdic surrendered.

Elsewhere, Bosnian forces were in action north-west of Sarajevo Tuesday attempting to gain control of the road between Tuzla and the Adriatic coast, a major strategic supply route. Military experts say the Bosnians want to take sufficient territory to prevent the Bosnian Serbs cutting central Bosnia in two.

Bosnians Willing To Negotiate

AU1008125494 Paris AFP in English 1238 GMT 10 Aug 94

[Excerpts] Zagreb, Aug 10 (AFP)—The Bosnian Government and Army are in the Bihac enclave, Croat-Moslem federation president Kresimir Zubak said Wednesday [10 August].

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

In a letter to Abdic, reproduced by the Croatian news agency HINA, Zubak said the Bosnians were prepared to talk to the dissident Moslem leader in order to secure an "urgent and unconditional" end to the fighting.

Zubak said he had met top level military and civilian authorites in Bosnia-Herzegovina who had agreed they were "willing to end military operations in the Bihac enclave" and "ready to send a delegation (to Bihac) in order to begin negotiations aimed at ending the conflict" he said.

Zubak called on Abdic to prepare his own delegation for the proposed talks. [passage omitted]

UN sources said Tuesday they expected Velika Kladusa to fall within 24 hours if Abdic surrenders.

Abdic's Army 'Falling Apart'

AU0908151594

[Editorial Report] Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian at 1300 GMT carries within its regular 40-minute newscast several reports on the situation in the republic.

Mirza Sadikovic reports on the fighters of the 5th Corps of the Army of the Bosnia-Herzegovina having "gained control over Trzac, the greatest stronghold of (?Kladusa) autonomy." He says that "today, 27 villages and a territory of (?89) square kilometers have been liberated. The 6th Brigade of the self-proclaimed National Defense no longer exists. The majority of its members have been (?dispersed), some of them have immediately gone over to the 5th Corps while some—in fact, those people who have mostly blooded their hands—have fled together with the former 6th Brigade commander [words indistinct] Serbian autonomous region of Krajina. This morning, [words indistinct] the establishment of civilian authorities. Health stations (?are being opened), conditions are being created for the return of the expelled population and the normalization of course of life that had been suddenly cut here 10 months ago. This morning's event of liberating Trzac shows that Abdic's rebel army is falling apart and that the very entering into Velika Kladusa is no longer a particularly difficult task. According to still incomplete reports, the self-proclaimed leader [vozd] Abdic with his closest aides has already crossed over to [word indistinct] and reasons for [words indistinct]." Finally, Sadikovic adds that "Karadzic's chetniks have continued their usual activity on the front lines, on Bihac and Bosanska Krupa section of the battlefield, as well as Grmusko-Srbljanski Plateau [words indistinct] shelled with 82-mm mortars."

Izudin Durakovic reports from the Gracanica region that, "as of yesterday, the territory controlled by the Army of Bosnia-Herzegovina has been wider by 14 square kilometers. The notorious chetnik stronghold of (Vis) that the so-called Yugoslav People's Army had taken even before the aggression Bosnia-Herzegovina, will no longer sow death on the Gracanica villages and the city itself." Durakovic adds that "the brave defenders have liberated this domineering height and pushed chetniks deep into the Trebava Mount liberating at that the notorious chetnik stronghold of Javor, as well as a few more chetnik strongholds."

A studio announcer cites Mirudin Aldobasic's report as saying that "this afternoon, chetniks from Teslic have started shelling Tesanj and its surroundings, so several people have been seriously or lightly wounded. Also shelled were the defense lines of the Army of Bosnia-Herzegovina and the Doboj-Teslic road."

Abdic Denies Opposing Federation

LD0908174794 Zagreb Radio Croatia Network in Serbo-Croatian 1700 GMT 9 Aug 94

[Text] Fikret Abdic sent a letter today to Bosnia-Herzegovina Federation President Kresimir Zubak and to the government of the Bosnia-Herzegovina Federation. Abdic says in the letter that all claims that he was opposed to the Washington Agreement and to the establishment of the Bosnia-Herzegovina Federation were completely unfounded.

Presidency To Offer Amnesty

AU0908163794 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 9 Aug 94

[Text] Esteemed listeners, we have just received the report that the session of the Presidency of the Republic of Bosnia-Herzegovina chaired by president [words indistinct] was held today. Discussing the situation in the Bihac region, the Presidency decided to adopt a law on amnesty for all members of Abdic's paramilitary who have not committed crimes and who join the [word indistinct] of the Army of Bosnia-Herzegovina, that is, its 5th Corps within eight days. On that occasion, the Presidency will issue a special proclamation [word indistinct].

At the proposal of the Government of Bosnia-Herzegovina, the Presidency adopted the account of the Budget of the Republic of Bosnia-Herzegovina for (?four periods) of (?1993).

At its session today, the Presidency of the Republic of Bosnia-Herzegovina has accepted the patronage of the celebration marking the 100th anniversary of the Sarajevo Regional Hospital and decided to advise [word indistinct] to take over the material responsibilities that this patronage involves.

Karadzic Pledges Continued 'Resistance'

AU1008064894 Paris AFP in English 2345 GMT 9 Aug 94

[Excerpts] Belgrade, Aug 10 (AFP)—Bosnian Serb leader Radovan Karadzic on Tuesday [9 August] pledged continued "resistance to the enemy" and said such a stance would help the embattled separatists break out of their isolation and achieve acceptance.

"The sole solution is resistance to the enemy," Karadzic was reported as saying by the Bosnian Serb agency SRNA. "This will be the resistance of a unified people in

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

a unified state, which will encounter difficulties for a few months but will finally gain acceptance," he said.

He contended that "the new conditions set by the international community for the lifting of sanctions against Yugoslavia prove that they (the sanctions) were not introduced because of the Bosnian conflict." [passage omitted]

Karadzic warned Belgrade against giving way to external pressure on the Bosnian issue on pain of suffering "further humiliations." He pointed to two areas, the southern Serbian province of Kosovo with its 90 percent ethnic Albanian majority, and Krajina, where separatist Serbs are defying the central government in Croatia and where, he said, "it would be ill-advised to give way before the dictates of the international community." [passage omitted]

Buha Doubts Contact Group 'Plan' Exists

AU0908192894 Belgrade BORBA in Serbo-Croatian 9 Aug 94 p 4

["G.R."-initialed report: "There Actually Is No Plan, There Are Only Maps"]

[Text] Belgrade—"The negotiating peace process has never even existed. The contact group announced the division of 51 and 49 percent in Talloires on 25 May, but afterward never announced the criteria on the basis of which the offered map was drawn," Srpska republic [SR] foreign minister Aleksa Buha, as Serbian Radio Pale reports, stated at the news conference in Pale the day before yesterday.

"Other parts of the so-called peace plan do not exist, with the exception of the map that has, in the shape of a peace ultimatum, been offered on the principle of take it or leave it. The Serbian leadership possesses two pages of the constitutional arrangement that were given to us semiofficially in Talloires and that are titled as the possible elements for the Bosnia-Herzegovina Constitution," Buha emphasized. According to him, the leadership of the Srpska republic in Geneva on 19 July obtained another three pages of the working paper on the constitutional principles, which contain no mention of the sovereignty and the internationally guaranteed borders of the Srpska republic.

Commenting on the appeal by Alija Izetbegovic to the Serbs to return to Bosnia, Buha said that insistence on the dream about a unified Bosnia-Herzegovina, regardless of the international balance of powers, would only lead to a new tragedy of all peoples on these territories. Emphasizing that peace imposed by force is not a lasting solution for the Bosnian problem, he warned that the contact group plan, if imposed by force, would lead to a major war.

Ganic, UN Official View Humanitarian Situation

AU0908190094 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 8 Aug 94

[Text] Ejup Ganic, member of the Bosnia-Herzegovina Presidency and vice president of the Federation, met with Sergio De Mello, chief of the UN Protection Forces [UNPROFOR] civilian sector for the former Yugoslavia, in Sarajevo this morning. Mehmed Alijazulic reports:

[Begin recording] [Alijazulic] After the meeting and the talks, Sergio De Mello and Ejup Ganic gave brief statements for the reporters.

We have had useful talks today, De Mello said. We discussed the entire situation in Bosnia-Herzegovina, including the military and humanitarian situation in Bihac. We also discussed some problems that have been occurring over a longer period of time, the problem of opening routes, releasing prisoners, and UNPROFOR's efforts to put an end to sniper activity until the agreement on the first two issues is reached in hope that the meeting at the highest level will be held soon. Mr. Ganic:

[Ganic] We discussed the general humanitarian and military situation in Bosnia-Herzegovina. We particularly discussed the supply of Sarajevo, closure of the blue routes by the aggressor, and naturally, we demanded from UNPROFOR to do something in order to open the blue routes as soon as possible. Naturally, we also discussed the problem of agreements of [words indistinct] which the Serbian side refuses to sign. Here, of course, a general analysis of the current situation in Bosnia-Herzegovina [word indistinct] airport [words indistinct] is not functioning. Therefore, this was an analysis of all the problems and we [words indistinct] again aware that [word indistinct] the total situation. We expect that (?the airport) in Bihac will soon [word indistinct] (?begin to function). [Words indistinct] we have (?lost) the quantity of food that is necessary [words indistinct] that will be necessary to the residents, such as food, medication, and numerous other necessities of life. [end recording]

Council Ratifies Mostar Administration Plan

LD0908142594 Zagreb Radio Croatia Network in Serbo-Croatian 1300 GMT 9 Aug 94

[Excerpts] Hans Koschnick, European administrator for Mostar, said at a news conference in Mostar today that the advisory council had ratified his program for the administration of Mostar and appointed his three main advisers. Zdenko Vranjes reporting:

Koschnick said that at its constituent session last night, the advisory council appointed three main advisers who will work with Koschnick daily. In addition to representatives of the Croat and Muslim nations, the mayors of western and eastern Mostar, Mijo Brajkovic and Safet Urucevi. A representative of the Serbs from Mostar was also appointed to the council. The advisory council could not agree on whether the Serb representative should be from the eastern or western part of the town, so a compromise solution was found—Obren Lozo, Rajko Gatalo, and Milan Bodiroga will rotate in the position every two months. Koschnick noted that, unlike Brajkovic and Urucevic, the Serb representative will have observer status, without authority to pass and implement decisions.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Koschnick also said that the advisory council, which will begin working today, will be able to pass decisions only by consensus to prevent domination by the representatives of any nation. [passage omitted]

Koschnick said that the priorities in the working program, ratified by the advisory council, were to reconstruct the town; create a new spirit of cooperation; preserve the identity of the nations in Mostar, especially through the promotion of education; ensure equality before the law through the creation of independent courts, and to set up an effective police force that will function according to the principles of a law-governed state.

Following his news conference, Hans Koschnick was received by the Kresimir Zubak, president of Bosnia-Herzegovina. They are holding talks behind closed doors, from which a public statement is expected to be issued.

Army 5th Corps Reaches Croatian Border

AU1008114094 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1000 GMT 10 Aug 94

[Text] The Bosnia-Herzegovina Army has been scoring considerable successes lately. This was also the case today when units of the 5th Corps of our army reached the state border with Croatia, north of the village of Sturlic. With this, parts of paramilitary formations of traitor Fikret Abdic have been forced to retreat and in the village of Strzac they have been totally surrounded.

Kladusa 'Leaders' in Knin

AU0908192994 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 9 Aug 94

[Report by Mirza Sadikovic]

[Excerpts] In strong counterattacks by joint units of the 5th Corps, the entire Cazin Commune territory and a considerable part of the Kladusa Commune that were under temporary control of Abdic's falangists were liberated from yesterday afternoon until the early hours this morning. In these latest actions, 27 villages and a territory of 59 square km have been liberated. Taken and liberated was the strongest autonomists stronghold of Trzac, then (Sturlic), (Surlica), (Plasnica), and the strategically most important elevation over Johovica, (Nera). The 5th and 6th Brigades of the self-proclaimed People's [word indistinct] virtually no longer exist. Only smaller groups have remained—some of them have fled to the so-called Serbian autonomous region of Krajina and others to Johovica [words indistinct] one more rebel's lair.

A considerable part of the Kladusa paramilitary has surrendered to the 5th Corps. [passage omitted] A part of the population has fled to the so-called Serbian autonomous region of Krajina seeking protection from the people whom (?they have fought) until yesterday. This afternoon, one could see from Hasin Potok near Sturlic, UNPROFOR used trucks—even some of those belonging to Agrokomerc [agricultural combine formerly led by Abdic]—to drive those people toward Velika Kladusa. This was followed and supported by representatives of some other international organizations.

This afternoon, rebels, with considerable support by brethren from the Serbian autonomous region of Krajina, shelled Sturlic, targeting even (Dzenaza). According to reports from Velika Kladusa, the paramilitary is in disarray, (?apart from) remnants of some rebel groups scattered over hills [words indistinct) like the one at Johovica.

According to unofficial sources, the self-proclaimed leaders are already in Knin, and it is not difficult to see the reasons, [words indistinct] headquarters.

The private Velkaton Radio has calmed down and was silent today, allegedly due to technical reasons. [passage omitted]

Breakdown of Srpska Monetary Unity Predicted

LD0908192594 Sarajevo Radio Republike Srpske Program for Abroad in Serbo-Croatian 1730 GMT 9 Aug 94

[Text] Zvornik Bank Director Djordje Jovicic has announced to the Srpska news agency that the federal government decision of Friday, 5 August, meant the unilateral suspension of financial transactions with the Srpska republic.

Until today we have not received any official explanation from Belgrade. In unofficial contacts with colleagues, however, we have learned that financial transactions have been frozen and that fresh measures by the Serbian Government are expected, Jovicic added, stressing that at this point in time the Zvornik Bank—the second bank in terms of size and potential in the Srpska republic—is seeking repayment of debts owed to it by the FRY [Federal Republic of Yugoslavia] to the tune of 810,000 dinars.

He believes that the continuation of the suspension of financial transactions between the Srpska republic and the FRY will soon bring about the breakdown of the unified monetary system of the Serb lands, which was founded on Dragoslav Avramovic's stabilization program.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Tudjman Rumored To Have Suffered Heart Attack

LD0908114194 Belgrade TANJUG Domestic Service in Serbo-Croatian 1045 GMT 9 Aug 94

[Text] Ljubljana, 9 Aug (TANJUG)—None of the Croatian TV news bulletins last night showed a video of President Franjo Tudjman receiving a delegation from Herceg-Bosna in Brioni yesterday evening. It has been rumored that Croatian President Franjo Tudjman recently suffered a heart attack and that his health condition is almost critical.

The news from Brioni was announcer-read over separate stills of Tudjman and a group of Herceg-Bosna leaders, showing none of the top Croatian officials.

Spokesperson Denies Rumors

LD0908151894 Zagreb Radio Croatia Network in Serbo-Croatian 1500 GMT 9 Aug 94

[Text] Croatian President Franjo Tudjman is resting in Brioni and has been performing all his regular duties, the Croatian president's office spokesperson said, denying as completely unfounded and malicious the news about his alleged illness.

Vesna Skare-Ozbolt, spokesperson of the Croatian president's office, denied the news of President Tudjman's alleged illness carried today by Belgrade's VECERNJE NOVOSTI and the STA Slovene Press Agency. The news is completely unfounded and malicious, Skare-Ozbolt told STA today.

President Tudjman, who is resting in Brioni with his family, is performing all his regular duties.

Parliamentarians Visit Near Serb-Occupied Areas

LD0908161094 Zagreb Radio Croatia Network in English 1203 GMT 9 Aug 94

[Text] A group of Croatian parliamentarians, whose districts are currently under Serb occupation, today begin a round of visits to the areas bordering these occupied regions and particularly the UNPROFOR [UN Protection Forces] checkpoints. The association of displaced persons headquarters in Osijek has confirmed the tour, which will last till the 17th of this month and will include visits to Sisak, Gospic, Karlovac, Sibenik, Zadar, Biograd, Biosek, Baranja and Vukovar [word indistinct] (counties) and the town of Mohacs in Hungary. The group is to meet with, amongst others, county and police officials and representatives from the displaced persons in these areas.

Prime Minister Says Currency Reserves Stable

LD0908163794 Zagreb Radio Croatia Network in Serbo-Croatian 1500 GMT 9 Aug 94

[Text] Speaking about the implementation of the stabilization program at a session of the Croatian Government today, Prime Minister Valentic said that foreign currency reserves remain stable and that they could be expected to reach $2.5 billion by the end of this year. This is one of the preconditions for keeping the Croatian kuna stable and ensuring the country's external liquidity.

The government was informed today about the results of the tourist season and also endorsed a report on this year's harvest.

Muslims Reportedly Flee to Serb Krajina

AU0908140694 Belgrade Radio Beograd Network in Serbo-Croatian 1300 GMT 9 Aug 94

[Report by Danko Peric from Knin]

[Text] According to the headquarters of the Serbian army of Krajina in Knin, over the last few days, some 3,000 women, children, and elderly have fled to the republic of Serbian Krajina from the Cazin Krajina. The report says that they sought salvation with the Serbs as they fled the crazed mujahidin [Bosnia-Herzegovina Army] that are under the command of the army loyal to Alija Izetbegovic.

The Serbs accommodated the expelled Muslims in the villages of Bogovolja, Bozica Mlin, and [word indistinct], and provided them with food and other basic things.

The evacuation of refugees is currently under way from Cazin Krajina to Velika Kladusa.

UNPROFOR General Protests Blockades

LD0908212494 Zagreb Radio Croatia Network in Serbo-Croatian 2000 GMT 9 Aug 94

[Text] Major General Janko Bobetko, chief of the general staff of the Croatian Army, this evening received Gen. Bertrand de Lapresle, commander in chief of UNPROFOR [UN Protection Forces], at the latter's request. After 90 minutes of discussion, they both made statements to Croatian journalists. Here is a report by Andjelko Perincic:

[Perincic] At the beginning of his statement, the French general explained why he wanted to be received this evening by his host. He said: I asked him to receive me so that we might consider some problems in connection with the UNPROFOR mission. Among other things, we talked about the need for the freedom of movement of the Protection Forces so that they can carry out their mission. Our main task is to check to see whether, and how, the military part of the Zagreb agreement is being implemented. We also discussed the problem of the blockades by refugees. We understand the suffering of the refugees, but UNPROFOR came here in order to try to help them.

Gen. de Lapresle stressed that the refugees would not see their homes for a long time if they hamper UNPROFOR by blockading crossing points: We also considered the possibility of extending UNPROFOR's mandate, which

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

will remain in force here only if Croatia wants it to and if Croatia helps solve the problems by renewing the mandate.

Gen. de Lapresle said in conclusion: Finally, I wish to express the feelings of my soldiers, who have not fully understood that they have suddenly found themselves to be hostages in this situation—a situation in which they have been living alongside the local people for months now.

After this, Gen. Bobetko made a brief statement:

[Begin Bobetko recording] Although the problems are well-known, I, for my part, offered all those elements that explain the situation as it is in Croatia—what Croatia is seeking and what problems we are facing. Croatia has never, in all this time, done anything that might prevent the resolution.... [pauses] the gentlemen from UNPROFOR. [sentence as heard] So that a historical question might be resolved in a human way, refugees should be able to return to their territories. Croatia should exist within the borders that are internationally recognized and live on the basis of the decisions of parliament and democratic norms.

I believe that the general fully understood that the interests of the Croatian Government and the president of the Republic of Croatia have been proven to be peaceful, and that we have done everything in terms of time and space to allow UNPROFOR to carry out its task.

With regard to the complaints about the blockades, I told the general that I have seen and read about many strikes in France, and the people have their rights in every democratic country. [end recording]

Prevlaka Not Yet Under Negotiation With FRY

LD0908165794 Belgrade TANJUG in English 1430 GMT 9 Aug 94

["Pool" item]

[Text] Zagreb, Aug. 9 (TANJUG)—President of the Croatian State Committee for Borders Hrvoje Kacic said no talks were under way between Croatia and Yugoslavia concerning the Adriatic promontory of Prevlaka.

Kacic said this in reponse to a recent statement by Montenegrin President Momir Bulatovic, who said that "the status of Prevlaka is legally more than satisfactory for Montenegro."

Prevlaka, which is a border area between Croatia and the Yugoslav Republic of Montenegro, was placed under U.N. supervision in summer 1992, after an agreement was reached between former Yugoslav President Dobrica Cosic and Croatian President Franjo Tudjman in Geneva.

Under the agreement, Prevlaka should stay under U.N. supervision until the final political solution. Although at the time of former Yugoslavia Prevlaka was within the former administrative borders of Croatia, it was not controlled by Zagreb but the former Yugoslav Army.

The Federal Republic of Yugoslavia claims its right to Prevlaka, since it is a very important strategic point from which the whole of the Kotor Bay with Yugoslavia's largest naval base can be controlled.

Although rugged and uninhabited, Kacic considers Prevlaka to be "of vital importance for Croatia." He said it had agricultural and touristic value for Croatia and was inseparable from the 250 square kilometers of territorial waters around it.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Assembly Chairman Sees No 'Threats' to State

AU0908113594 Skopje NOVA MAKEDONIJA in Macedonian 2-3 Aug 94 p 4

[Interview with Assembly Chairman Stojan Andov by Zorica Darkovska; place and date not given: "The Period of Real Danger Has Passed"]

[Excerpt] [Passage omitted] [Darkovska] Viewed from a distance, what is the importance of ASNOM [Antifascist Council of People's Liberation of Macedonia] for the creation of Macedonia's [The Former Yugoslav Republic of Macedonia] statehood?

[Andov] Today, 50 years after ASNOM, we can talk unemotionally about an event in our history such as ASNOM, about its achievements and its connection with the events that are taking place now, relieved of the euphoria that normally overtook those who were participants in it. We can frankly say that ASNOM was an introduction to a liberating process that emerged and was carried out by the Macedonian people, which enriched and made history over the past two centuries. ASNOM was the culmination of the armed struggle for the liberation, state, and constitution of the Macedonian people; it transformed the struggle from a movement into a goal, which was the creation of a state. Although our state was the last one to be created in the Balkans, it has been a state since ASNOM, and we cannot be considered as merely a nation struggling for a state. ASNOM was a turning point in the history of the Macedonian nation and it represents a corner stone for another phase of our historical development.

[Darkovska] In your opinion, how topical is ASNOM today?

[Andov] We can freely say that everything that is happening today would not have happened without ASNOM. What we are constructing now, historically and logically speaking, is ASNOM; it is on this basis that we are shaping and completing what was formed then. That this event is today being celebrated modestly does not mean that we are evaluating events according to how loudly someone is speaking about them, but according to the dignity and the way in which they are respected. The other reason for the modest celebration is because we are a poor country and we must take into account the expense.

The task that we are now completing may not look glorious to the people today because of the events that are taking place in the Assembly and in our pluralist life, but it may look different from a distance, as is the case with ASNOM today. I believe that the participants in ASNOM were also taken by euphoria, but they knew one another well, and they had opinions about one another, just as we do today. Therefore, we must not consider that the people today are not always able to see the truth and the historical logic, as well as the greatness of what we are building today. I believe that we are constructing something great and extremely important, although it sometimes seems to be boring and slow. Some sequences may look funny sometimes, but the general image of the past four years is different. Owing to the major events and results, and the peace that is absolutely of the utmost importance, though nobody cares about it when it is there, but it is of the utmost importance and it is irreplaceable when it is not there. [sentence as published]

[Darkovska] In this context, now that the end of the mandate of this Macedonian Assembly is approaching, what is your opinion of the past four years?

[Andov] What I have already said can be understood as a general assessment on the mandate itself. I am sure that many things have not been done and it would have been better if we had done many more things. However, a great number of things have been achieved and we have set solid foundations that make the state function, so that new assemblies and governments can further promote it. We have not missed doing anything of importance in the past four years. Everything is clear and in order in that sense.

[Darkovska] How much democracy is there in Macedonian life?

[Andov] Democracy is a very complex process. There is not enough democracy anywhere as to stop creating and developing it. That is something that you live and respect; it exists and it makes you either happy or unhappy. That is why we tend to develop it and promote it. When we started creating a pluralist civic society, in the first mandate of its creation, I can say that we had two corner stones on which this process could be promoted. We live in a area where there prevail certain forms of civic tolerance: social, interethnic, and interreligious. To live together means that you already have the first basis for developing democratic forms in that life. This has saved us and it is the force on which our parliament and our government have relied, as well as the politicians and political parties that searched for a peaceful way out of the tumultuous events, as none of the other republics succeeded in doing.

The second corner stone of the future development of democracy here is the institutional framework that we have created. It is true that we have not completed the construction of special institutions characteristic of a developed democratic life. They have not started work yet and that is something that we will have to do. However, we can measure some delays in months, and not in centuries, as used to be the case at one time.

[Darkovska] What about democracy in parliament?

[Andov] There is an absolute parliamentary democracy in parliament and it is arranged according to rules and other regulations from the Constitution and the laws. We have a government and an opposition. We cannot say that we lack such elements but we can speak of failures in those elements. That is another phase. Failures of the opposition and those who rule will always be there and they will be solved through a parliamentary struggle and

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

later on through parliamentary elections. That is why I think that parliament functions and that it is capable of making all the key decisions. Recently we witnessed a struggle over confidence in the government. All of a sudden it was lively in parliament, there was a dramatic scene, and we saw the strength of parliament, within the opposition and as well as within those who were defending the government. Our parliament became similar to those in Western countries.

[Darkovska] We often lack such strength when it is most essential. We have such a fresh example with the law on electing members of parliament. What is your opinion about it not being passed and do you agree with the assessment that everybody is a loser because of this, even our democracy?

[Andov] We must realize that in democracy every step does not necessarily mean progress. Sometimes we are "static," and at other times there may be a step backward. We got what we could with the vote on the law on electing members of parliament. That is why the parties that obstructed its passing were accused of being unprepared to pass a more democratic law on election procedures, but that cannot be used as a general assessment of the whole parliament.

[Darkovska] The impression was that members of parliament did not act in their own interests.

[Andov] Sometimes certain inevitable differences in policy, particularly in parliamentary democracy, are determined as such when elections are approaching and they are said to be such by their promoters, because instead of reshaping and adapting them, the protagonists become prisoners of those differences .

[Darkovska] It is obvious that the election period has already begun. The govenment is increasingly often being attacked over the policies that it is implementing, as well as over some actions that it is undertaking in the domestic and foreign spheres. What is your opinion on this, considering that you participate in the government?

[Andov] It is normal, now that elections are approaching, for opponents to attack each other. We are expecting strong attacks from the opposition and from those who are struggling for power. Their attacks will be modified according to particular moments, although I think that the language they are using could be a little more moderate and contain more arguments. However, we must have an understanding of the opposition. It is doing nothing but attacking, because it does not have access to the other part of the political struggle. I think that their attacks will be much stronger on the eve of the elections, because the opposition is incapable of presenting itself as an active factor in the results achieved.

[Darkovska] What are your expectations for the next elections?

[Andov] We are expecting the overall election campaign to be conducted within the framework of the laws and the system. We are expecting a really strong campaign, with different programs, different political groups and options, and we are also expecting all of this to be within the framework of a normal election campaign of a Western democratic type.

[Darkovska] The success of the elections is being linked to the success of the census. How successful was the recent census in Macedonia?

[Andov] According to information from the State Census Commission, I think that the census was successfully conducted in Macedonia. It was successful for many reasons. First, the law was successfully drafted with help from the experts of the Council of Europe and the European Union, it was passed in our parliament with a qualified majority, and it was adapted to the needs of parliament, while the government and its commission implemented it very consistently. The census achieved the highest European standards. We think that the procedure of organizing and implementing the census cannot be criticized from either the inside or the outside.

[Darkovska] The census was followed by various attempts to destabilize the country. This will probably also be the case before the elections. What is your opinion about the present security situation in Macedonia?

[Andov] We in Macedonia, after some events such as the adoption of the Constitution, our admission to the United Nations, the carrying out of the census, our attempts to settle our relations with the international financial institutions, and the implementation of our Stabilization Program, have actually created the opportunity to carry out turbulent changes in our domestic life in a peaceful manner within the institutions. In our opinion, there are no domestic threats to the security and the situation in the country, although there are some quite dramatic processes going on. These are being reinforced by some foreign events, such as the embargo against the FRY in which we both are and are not an active participant, as well as the Greek embargo against Macedonia, certain specific incidents and threats on our northern border, and some statements made by various politicians of neighboring countries. All this together creates the image of a turbulent security situation, but we think that it is all within tolerable limits and that Macedonia is secure and that there are no direct threats.

In this context the presence of UN troops is of extreme importance, as well as the U.S. units within its ranks. This presence comes in the form of preventative diplomacy and it is a clear indicator of the world community and its strongest protagonist's interest in peace and stability in Macedonia. Therefore, the country is safe, secure, and it is not facing any direct threat, although there are many elements in some of the neighboring countries who are not very happy with this security and stability. However, it is simply their own problem and their obsession, and it does not represent any real danger for us.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

[Darkovska] Let us go back to parliament. It has been facing another crisis. There had been blockades even before....

[Andov] As a matter of fact, parliament has never been faced with a crisis if we consider a crisis as a period that ends in early elections owing to the inability of the Assembly to carry out its duties. We have not had such a crisis, although there have been some tense situations, and some dramatic and unilateral actions by some participants in the parliamentary struggle of some parliamentary groups. That usually concerned the PDP [Party for Democratic Prosperity], and sometimes the VMRO-DPMNE [Internal Macedonian Revolutionary Organization-Democratic Movement for Macedonian National Unity], and they have their own political goals and reasons for it. Inside parliament there is pressure, but it still has the force to discharge its duties.

[Darkovska] How do you feel about not setting up the judiciary system during the four years of your mandate?

[Andov] We do have a judiciary system and it works in conformity with the laws and the Constitution that we have. There are some obligations from the Constitution and the Constitutional Law, but on the other hand, the constitutional regulations are very radical in asking for a high level of agreement in parliament when some laws are to be passed. The law on the courts and court procedures requires a two-thirds majority. My view is that we have exaggerated in this part of the Constitution. A sufficient majority would be one over 50 percent, as is the case in other countries. That is the only way in which we can legalize a parliamentary struggle for a majority. The one that has the majority can make decisions and regulate things, and it is not necessary to insist on the agreement of part of the opposition with the majority. We have not passed any new laws on the judiciary system yet because a two-thirds majority is required, and we do not have such a consent. That is why these matters will have to be settled in the next period.

[Darkovska] If you were given another mandate, what would you change in what has already been done, and viewed from this distance, what do you consider as mistakes?

[Andov] If I am given another mandate, I will probably engage in completing the construction of all democratic institutions in the state. I would like that possible mandate to be under conditions of a greater majority for the ruling political force in parliament. The opposition should certainly be strong and loyal and propose its own alternatives, but it should not obstruct the implementation of the policies proposed by the ruling political force. In doing that it becomes responsible for the failures. That is why the dissent between the government and the opposition is of another kind in democratic systems, with the struggle for power there being waged in general elections, and not inside parliament itself. Power has already been given to some [of the opposition] in parliament. There are attempts in parliament to decide on the struggle for power within parliament, and that is impossible.

We are facing a period in which we need greater stability for the executive, the ruling majority, which means that there should be a greater majority in parliament. Such a level of internal controversies in the ruling coalition political force will enable those in power to settle more easily even conflicts in the sphere of interethnic relations. I imagine that in the next period fewer mistakes will be made, but in this period these mistakes have been inevitable. For instance, in the last phase of the adoption of the Constitution, which was extremely difficult, and we had foreign armies present, we waged a struggle that lasted for 55 days. This is an extremely short period in which to find the best solutions and that is why some parts have not been completed. In addition, the necessary majority for the functioning of parliament in passing laws, for instance on the law on the formation of a government, is exaggerated.

In the next period we will probably not make the same mistakes and we will be able to pass more balanced acts if there is greater stability and security in the decision-making. This will be possible, first of all, because we now have greater experience, but also because we will not be forced to work under pressure of events that are not just routine in the process of creating an independent state, but determine the fate of other nations and states around us. If there are general conditions for better solutions in the Constitution, we should use them at the right moment.

Report Views Recent Economic Trends

AU1008110894 Skopje NOVA MAKEDONIJA in Macedonian 6 Aug 94 p 1

[Report by S. Kiridjievska: "0.6 Percent Deflation in July"]

[Text] Forecasts of a fall in production announced in the Stabilization Program are coming true, although official statistics are a little higher than the government's calculations. There was a 13.2 percent fall in the first six months of the year compared to last year, and the greatest fall has occurred in industrial production, at 20.8 percent. The fall in industrial production in 26 industrial branches is obvious as their share in the economy amounts to 80 percent. The six industrial branches involved in the manufacture of chemical products have a 19.2 percent share in the economy and they indicate a positive trend with the greatest production growth, at 11.9 percent. This is how Svetlana Antonovska, director of the Republican Department of Statistics, illustrated social and economic developments in Macedonia [The Former Yugoslav Republic of Macedonia] over the past six months at yesterday's news conference.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

In addition to some other data on the Macedonian economy during this period, it was interesting to note that foreign trade is increasing: 3.6 percent growth in exports and 25 percent in imports, compared to the same period last year. There has been a total of $501 million in exports and $666 million in imports. Seventy-five percent of imports are covered by exports; there is a deficit of $165 million. Small-scale trading has resulted in 160.9 percent more trading than last year, a rise of 2.4 percent; the increase in large-scale trading is 150.4 percent.

Industrial production in the period between January and June increased to 119 percent, consumer goods to 175.6 percent, and the cost of living to 188.8 percent. Compared to December of last year, there was a 21 percent rise in industrial production, 33.3 percent in consumer goods, and 32.1 percent in the cost of living. This summer we are also experiencing deflation: Prices in July were 0.6 percent lower. This negative inflation is due to the fact that agricultural product prices have decreased by 25.4 percent, vegetable prices by 35.9 percent. On the other hand, there were price increases in July of 14.8 percent for coffee, 6.1 percent for eggs, and 16.9 percent for milk. As a result of the drop in prices, the cost of living decreased 1.3 percent compared to June.

Employment data shows that the number of employees in our country has dropped 6.5 percent compared to last year, and is currently at 405,640. The average number of job seekers between January and May 1994 was 180,674. The average income during this period was 7,327 denars, and so had nominally increased by 16 percent. As of 31 May, 64,711 enterprises had been registered, of which 94.5 percent were privately owned, 2 percent were state-owned, and 1.5 percent were jointly owned.

Census Official: 'Violations' in Albanian Areas

AU0808124394 Skopje NOVA MAKEDONIJA in Macedonian 6 Aug 94 p 3

[Report by S.K.: "2,001,368 People Covered by the Census"]

[Text] By 31 July the Republican Department for Statistics received reports from communal census commissions (34) and data on 2,001,368 people, 479,808 households, 553,213 apartments, and 167,568 farms. Material has been also received from authorized census officers abroad on 123,856 people. The census material is generally of good quality, with all the forms filled in, and all the questions answered. In some of the census material received from certain communes there are forms that have not been completed, where full identification or answers to questions are missing; there are some corrections concerning citizenship and so on, while 5 percent of the total number of people covered by the census do not have their citizen's identity number.

This was stated at yesterday's news conference in the Republican Department for Statistics. It was also said that in conformity with Article 48 of the law on the census some action has been initiated. Namely, an adjustment of the material received from abroad to the material received from the communal census commissions has started concerning people abroad at the time of the census. At the same time, checks are being carried out on people who may have been appeared more than once, as well as initial analyses of the results of the quality and data. Director Svetlana Antonovska said that these activities are expected to be finalized in the first half of October this year, and immediately after that the first results of the census will be published.

The documents confirmed that in the communes of Kumanovo and Tetovo there have been some inconsistencies and violations of the law on the census. In Kumanovo the census was carried out only in one instead of two languages, and in some parts in Tetovo there were incomplete identification data, people with more than one identity number, and forms in two languages were filled in in one language only. Informing the journalists about the financial means for the census, Director Svetlana Antonovska said that all the finances that were supposed to arrive by 20 July are here and that they are now in the process of covering the expenses and paying the census officers in 19 communes.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Report Outlines Secret Services Law

AU0908193494 Ljubljana DELO in Slovene 3 Aug 94 p 2

[Report by Marko Jakopec report: "With Law Against Disorder That Has Also Allowed for Irregularities"]

[Text] Ljubljana 2 August—The Slovene Government has recently presented the proposed Law on Security and Intelligence Activity. According to the government, the law will introduce much needed order in this type of activity within the state, clearly define the authorities of individual organs, secure their cooperation, and organize an effective parliamentary control of the policy in this sphere and its implementation by the services that engage in security and intelligence activities.

Article 2 of the proposed law envisions that the relevant state offices and services in the security and intelligence sphere uncover, prevent, and investigate the activity of foreign services, organizations, groups, and individuals that are aimed against the existence, the security, and the constitutional order of the Republic of Slovenia. The law also targets groups that threaten the security, defense, political, economic, and other interests of the state as well as the activities of organizations, groups, and individuals that are undermining the existence, the security, and the constitutional order of the state with forceful and other unlawful activities or are trying to use the state territory for terrorist activities aimed against third countries, as well as the activity of organized crime. According to the proposal, the security and intelligence tasks are performed by the Slovene Security-Intelligence Agency [SOVA], as an independent government service, and by the relevant services of the Ministry of Internal Affairs and the Defense Ministry.

The proposed law also draws a line between the authorities of individual offices and services and in Article 4 specifies that SOVA, if in the course of its activity obtains information that gives rise to a grounded suspicion of a criminal act for which the perpetrators can be prosecuted by law, must immediately forward the information to the relevant services of the Ministry of Internal Affairs, if the act falls within its sphere of responsibility. According to the law, the relevant services of the Ministry of Internal Affairs carry out their work in the country while the relevant services of the Defense Ministry carry out the security and intelligence tasks when the activities in question endanger the Defense Ministry and the Armed Forces or if it involves protection of classified defense data that is defined by law. The relevant services of both ministries and SOVA have the duty to mutually cooperate, assist each other, and coordinate their activities.

The security and intelligence policy is defined by the State Chamber, which also supervises the work of all relevant services of the ministries and SOVA. The government proposes strategic and long-term directives in this sphere to the deputies of the State Chamber, and on the basis of the adopted policy and long-term directives defines the priority tasks and coordinates the work of all relevant services. The proposed law also introduces the National Security Council of the government, which discusses the fundamental issues in the sphere of security and information activities and the policy and strategy of the work of state offices and services. At the same time it directs and coordinates their work and monitors the realization of the legislated directives. The council has its permanent coordinating working body that takes care of the current coordination and consists of the chiefs of relevant services of both ministries and the chief of SOVA. All three have the duty to inform the prime minister about important security and intelligence conclusions and on the basis of his decision also inform other offices, organizations, and individuals.

In Chapter 4 the proposed law deals with special operational methods and means. In accordance with Article 12 these include: Undercover cooperation, undercover surveillance, purchase of objects, bugging of telephones and surveillance of other means of communications and media, surveillance of mail and other packages, use of documents with false identity information and use of false identity insignia, surveillance with technical means and undercover detection and monitoring of systems, alliances, organizations, or groups defined in the previous articles of the proposed law. The use of special operational methods and means against another state office or service is not permitted.

Prior to the use of these means of operation against an employee of a ministry or some other service, one must inform the appropriate minister or chief of SOVA about it. The use of special operational methods and means is permitted in extraordinary circumstances and approved for each case separately. The bugging of telephones and other means of communication and media, surveillance of mail and other packages, and surveillance with technical means is approved by the Supreme Court of the Republic of Slovenia at the proposal of the relevant minister or the chief of SOVA. Technical realization of the telephone bugging, surveillance of letters, packages, other communications and media is realized by SOVA.

All data and information concerning the use of special operational methods and means, the data and information that could lead toward the identification of the sources or special methods applied, and the information about the purchase, financing, identification, sale, lease, and location of special operational technical means constitute state secrets. Without a warrant issued by a state or judicial office it is not possible to demand or allow the inspection, uncovering, or presentation of data that would allow identification of persons who are undercover agents of the particular services.

The government will propose to the State Chamber deputies that the proposed law on security and information service be passed in the summary procedure and will justify its proposal with the fact that the current situation in the security and intelligence sphere, in various offices and services that are involved in it and responsible for it, demands quick and effective changes. Summary passing of the law and, henceforth, regulation of currently significantly crippled operation and cooperation of the incumbent services would, according to the proposer, contribute to a greater state security.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Federal

Srpska Bureau Head Denies Planned Departure

AU0908180294 Belgrade Radio Beograd Network in Serbo-Croatian 1700 GMT 9 Aug 94

[Text] Momcilo Mandic, director of the Srpska republic Bureau in Belgrade, denied a report by AFP that the bureau will move out of Belgrade.

Mandic stated that the bureau continues to regularly perform its duties connected to the care for refugees. He also denied reports about the evacuation of Villa Bosanka, which is the Belgrade residence of the Srpska republic leadership. Momcilo Mandic said that the villa will serve to carry out humanitarian duties of the Srpska republic.

UNHCR Convoys Forced To Use One Border Crossing

LD0908145594 Belgrade TANJUG Domestic Service in Serbo-Croatian 1338 GMT 9 Aug 94

[Text] Belgrade, 9 Aug (TANJUG)—The decision of the federal government that all humanitarian aid transports to the Srpska republic should use only the border crossing near Sremska Raca made it impossible for UNHCR convoys to enter the Srpska republic territory this morning, TANJUG was told by the UNHCR office in Belgrade today.

UNHCR convoys with 234 tonnes of food were to go to Srebrenica, Bijeljina, Vlasenica, Sokolac, Nevesinje, Gacko, and Visegrad.

The UNHCR had valid permits issued by the Yugoslav and Srpska republic authorities, but the Sremska Raca border crossing was not on the UNHCR list of the six customarily used border crossings. The Sremska Raca border crossing has not been used so far because of the length of the journey, the Belgrade UNHCR office has said.

UNHCR representatives have sent a request to the relevant federal and republican bodies in Belgrade to make an exception and allow the UNHCR convoys to use the six customarily used border crossings.

Serbian Border Guards Turn Back Aid Convoys

AU0908135794 Paris AFP in English 1333 GMT 9 Aug 94

[Text] Sarajevo, Aug 9 (AFP)—Serb border guards turned back seven aid convoys bound for Serb and Bosnian communities in eastern Bosnia, the United Nations refugees agency said here Tuesday [9 August].

UN High Commissioner for Refugees (UNHCR) spokesman Peter Kessler blamed the difficulties on poor communications following the severing of relations between Belgrade and the Bosnian Serbs.

"We have terrible problems due to the communication cut-off between Belgrade and the (self-styled) Serb republic" he said.

According to Kessler, Serb border guards said convoys would have to cross the frontier at just one border post, Sremska Raca in the extreme north of Bosnia. This is not the normal crossing point.

The convoys turned around and headed back to Belgrade.

"This will seriously hamper our movement if there is only one crossing," said the spokesman, adding that the UNHCR had insisted Belgrade allow aid convoys to pass through the most convenient check points.

One convoy was heading for the Bosnian enclave of Srebrenica, a demilitarised zone since April last year. Six others were on their way to various Serbian communities in eastern Bosnia.

All seven convoys had been approved by Belgrade before setting out on their journeys.

Army Put On Alert After Goverment Seals Border

AU0908142094 Belgrade BORBA in Serbo-Croatian 9 Aug 94 p 24

[TIKER attributed report: "The Army On Alert?"]

[Text] Belgrade—Yugoslav Army members are not allowed to go on holiday until further notice, TIKER learned from well-informed military sources. Officers who went away on holiday in recent weeks have been recalled to work. The order was issued due to the newly evolved political situation and the Federal Government's decision to close the border with the Srpska republic.

Defense Council Reviews Military Issues

LD0908192694 Belgrade TANJUG Domestic Service in Serbo-Croatian 1706 GMT 9 Aug 94

[Text] Belgrade, 9 Aug (TANJUG)—A session of the Supreme Defense Council was held in Belgrade today. It was chaired by FRY President Zoran Lilic, the FRY president's military office has announced.

In addition to Supreme Defense Council members Serbian President Slobodan Milosevic and Montenegrin President Momir Bulatovic, taking part in the meeting were Federal Prime Minister Radoje Kontic, Serbian Prime Minister Mirko Marjanovic, Montenegrin Prime Minister Milo Djukanovic, Federal Defense Minister Pavle Bulatovic, and Colonel General Momcilo Perisic, chief of the general staff of the Yugoslav Army.

The Supreme Defense Council, it was announced, considered the latest developments in the military-political situation in connection with the resolution of the crisis in the area of the former Bosnia-Herzegovina. In keeping with this, it adopted appropriate decisions.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

The Council assessed that the Yugoslav Army is successfully implementing the decisions of the Supreme Defense Council and fully supports the course toward a peaceful resolution of the conflict, the statement says in conclusion.

Cadets Training at Garrison in Podgorica

94BA0369C Belgrade VOJSKA in Serbo-Croatian 2 Jun 94 pp 20-21

[Article by M.L.: "The Duties That Await the Men"]

[Text] Four years ago, when they enrolled as boys and began to acquire their first military knowledge in the Infantry Military High School in Sarajevo, they could not have imagined that two years later they would leave that city under very dramatic circumstances and continue their schooling in Krusevac. Before their promotion to the rank of sergeant, their most important task these days is to serve as trainees in the unit of Captain Sladjan Raickovic in the Podgorica Masline Garrison.

The graduating senior cadets from Krusevac began their first duties as officers on the Zlatica exercise ground near Podgorica, where they served in the roles of squad and platoon commanders. They had already done training with soldiers of the March generation of inductees in preparation and conduct of fire with personal weapons. They trained the soldiers first in aiming and firing, they checked all the operations that precede firing, and they fired an automatic rifle.

With the help of more experienced officers from Capt. Raickovic's unit, the future noncommissioned infantry officers felt and experienced what it was like in a military unit, they saw what awaited them at their officer posts in units of the ground forces, and they were able to see for themselves that everything they had learned in school was compressed and manifested in the practical conduct of training with the young soldiers, and that their schooling was aimed at better performance of their duties as officers, above all as commanders of platoons and squads.

Igor Mirkovic from Danilovgrad, a robust lad who takes a very serious view of the calling of army officer, which he chose deliberately, certain that it will offer everything he expects of it, had one such role as commander of a squad of recoilless cannon. For Aleksandar Zivkovic from Sokobanja, this is an attractive calling, one which he chose himself, because he loves the army and is happy with what the military high school offered him. Slavisa Koprivica from Sarajevo and Veselin Terzic from Han-Pijesak, both from the Srpska republic, say that after schooling in the military high school they will go back to the Srpska republic "to defend their land." They are also happy to have chosen the military vocation because in that way they will be of the greatest benefit to their people and homeland.

Mileta Sljivancanin from Pljevlja and Dobrivoje Savic from Gruza say that they have carried away quite a few memories from the military high school. Vidoje Veskovic from Niksic, as he himself says, never doubted the choice of his future vocation. And the future noncommissioned officer Sasa Ilic from Krusevac, who during training served as a platoon commander, says that secondary military schooling has been diverse and meaningful, but that the time spent in the unit was particularly important to practical application of the knowledge they had gained.

Training of Podgorica Corps Artillery Units

94BA0369B Belgrade VOJSKA in Serbo-Croatian 2 Jun 94 pp 20-21

[Article by Miroslav Vukosavljevic: "Preparations for a Present-Day Fire Strike"]

[Text] At exactly 1030 hours, a signal was given from the observation post for firing to begin. First the "cannoneers" deployed on the left and right side of Radovce Polje, then came the commands: "Angle...range..., local sight...main, load...." Then the reports of the commander, and the brusk and strong command of Captain First Class Miodrag Sasovic: "Fire!"

The thunderous volleys of the "130" echoed for the next several minutes in the broad and spacious valley. Lieutenant Gajo Krivokapic, deputy commander of the battery, at the firing position on the left flank, did not conceal his satisfaction with the results achieved and the work of the soldiers. He referred to the gun crew consisting of Micun Radonjic, a junior sergeant under contract, commander of the squad, in which Nebojsa Adamovic from Lazarevac is the gunner, Boris Babic from Stara Pazova the assistant gunner, and Darko Cukovic from Pljevlja the loader.... At the same time, at the firing position on the right flank, Capt. Sasovic singled out as the best the 4th Squad of the 1st Artillery Battery and its commander, Zoran Bakrac, a corporal under contract.

The exercise area was calm for only 10 minutes or so. Then a crashing sound echoed from the central portion of Radovce. These were projectiles from the Oganj 128-mm self-propelled multiple-rocket launchers, whose range is more than 20 km and whose destructive impact covers an area of eight hectares. Lt. Milorad Dragicevic, deputy commander of the Oganj battery, read on the artillery laser range finder that the target was about 9 km away. Capt. Radosav Majdak praised the crew consisting of Marko Vukcevic from Ljesanska Nahija, a junior sergeant under contract who commands the squad, gunner Zoran Miskovic, a reservist from Danilovgrad, loader Aleksandar Jovanovic, a soldier from Kraljevo, fuze-setter Radisav Guduric, a reservist from Cetinje, and driver Nebojsa Milosevic from Podgorica. Members of Lieutenant Colonel Zoran Vuckovic's artillery unit spent some 10 days on the Radovce exercise ground, not far from Podgorica, preparing for firing with live ammunition.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

"The time we spend in the exercise area is part of the regular activities envisaged by the curriculum and syllabus for completing the combat training of the December group of soldiers," Commander Vuckovic said. "Along with the soldiers who are doing their regular military service and who have just been 'christened under fire,' there are also reservists and experienced artillerymen in the unit."

Officers from the Command of the 2d Army attended the firing with live ammunition and the review of the fire training of the artillerymen of the Podgorica Corps. Major General Radosav Martinovic, chief of staff of that army, said after the firing practice that the intention was to verify achievement of all the elements that are part of the system of combat evaluation of a unit in the projected task which it is supposed to perform in a combat environment. They check to see how that unit prepared, organized, and carried out artillery reconnaissance, with emphasis on technical reconnaissance.

"We reviewed," Gen. Martinovic said, "how the unit was drilled in making the preparations necessary to inflict a modern fire strike, but the emphasis was on the geodetic-topographic and meteorological preparations, the technical and functional preparations of combat systems, equipment, and energy, and then the operational effectiveness of the systems for communications and protection of spoken information, and then the functioning of preparation of the initial elements, with emphasis on the automated methodology and the method of performing those preparations, adjustment of artillery fire and real time, and finally, to see how an effective fire strike is assured with all the effects on the target itself."

The chief of staff of the 2d Army emphasized that in carrying out the programmed artillery practice Lt. Col. Vuckovic's unit showed notable success in the handling and use of artillery weapons and systems, that it hit all the targets with optimum consumption of ammunition, using the sampling method, which best confirms that this is a unit completely combat-ready to carry out special tasks under conditions requiring a high degree of neutralization of the enemy objective.

More on Podgorica Units

94BA0372C Belgrade VOJSKA in Serbo-Croatian 19 May 94 pp 22-23

[Unattributed article: "Podgorica Corps Units on Pester Plateau: Unity and Harmony of All Operations"]

[Text] *Under concrete conditions of both weather and terrain, training makes it possible to exercise better control over combat operations and procedures, while individuals are trained for the specializations and tasks that are required of them.*

When we visited members of the combined unit of the Podgorica Corps under the command of Major Radoman Iric in the second half of April on the Pester Plateau, the weather was cool, with a haze over the elevations and in the valleys where the planned combat training was being conducted. Both the weather and the terrain conditions were auspicious, making it possible for them to demonstrate in a real sense their capabilities and level of training for the duties demanded of them.

We first encountered the tankers of Captain Branko Vrapcenjak. They were on a rocky elevation, of which there are many on the Pester Plateau. The tank crews, which were engaged in live fire against targets at various distances, were changing shifts. At the same time, this was the final part of the "Attacking Tank Platoon" exercise. The gunners, among whom were the professional soldiers Srecko Jovanovic and Nedzad Pepic, successfully hit the targets, even though they were scarcely visible due to the fog covering the firing range. The commander of the company, Capt. Vrapcenjak, told us this about the tanker training:

"We had some problems from the very beginning of our stay in the field. Specifically, this was the first time that the majority of the soldiers and officers had been in this region. From day one we encountered rain, strong winds, fog, and low temperatures. Despite this, I am satisfied with the overall work and dedication of the soldiers, especially the results achieved in preliminary and crew live-fire exercises."

In one small valley where the grass has only just emerged from the ground, training was being carried out by members of the mechanized company of Captain Milan Bozic. Offensive procedures by the squads were being practiced. Skillfully and adroitly, regular conscripts and professionals got into the personnel carrier, performed mobile operations, and then got out again. The only sound was that of commands from officers and the thud of army boots. After several months of training on firing ranges and grounds near the barracks in Podgorica, they were now practicing everything under conditions approximating those of war with their commander, Lieutenant Milan Pavlovic.

"The focus of our current training is to achieve unity and harmony in all operations, for people to help each other in the conduct of combat missions and in combining the fire of personnel carriers and infantry. In our training, besides the level of tactical and fire training, a very important factor is physical preparedness. Essentially, all of this must be connected and regarded as a single indivisible element," Lt. Pavlovic told us.

In this exercise, young contract soldier Rade Uskokovic from the "Maslina" Barracks in Podgorica played the role of communications officer for the armored personnel carrier. He says that thanks to his good physical preparedness, he can much more easily endure and handle all the exertions that this training requires.

Soldiers from the armored reconnaissance platoon of commander Goran Nestorovic warmed up nicely when they captured a rather sizable slope on the run, at the

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

same time performing certain tactical operations together with a special armored combat vehicle that was skillfully and dauntlessly driven by driver Dragan Culafic. Second Lieutenant Nestorovic talked to us about how exceptional physical strength and endurance are essential to members of reconnaissance teams, which we saw for ourselves, and about its importance. Particular attention is devoted to this part of training, he said, because without good conditioning and a good mastery of tactical operations on this type of terrain, the reconnaissance teams will not succeed.

Good physical endurance was also demonstrated by the infantrymen of Captain Dusan Smolovic on a 10-km march.

We covered a distance of several dozen kilometers to reach the artillerymen of a howitzer battery. We found them in the midst of training crews on 122-mm howitzers. Some of them were camouflaging weapons, others were preparing them for use, while others still were setting up position in specially built shelters. Captain Gradimir Petrovic said that as far as the level of training of soldiers in his unit is concerned, they are ready to move into position and combat activities immediately, to defend their country and nation from any aggressor.

The mortar crews of commander Lieutenant Vesko Pelicic were conducting exercises on an elevation, where they were especially exposed to the north wind, as if they were in actual battle position. We saw for ourselves the speed and soundness of the operations that the mortar crews performed. Signal corps member Stevan Varga, a soldier from Novi Sad, performed his duties accurately and responsibly.

The commander of this unit of the Podgorica Corps, Maj. Radoman Iric, said this, among other things, about the goal and purpose of their stay on the Pester Plateau:

"This is a combined unit, including several different units, from infantry, artillery, and armored-mechanized units to engineer units and a special-purpose unit, as well as rear-area units and others. We came to Pester because of the conditions that allow us to realize in the best way the program content of combat training. Our basic goal was to examine and test the level of training of individuals and of units as a whole, but also, at the same time, to conduct a sort of analysis of how the process of combat training works. In that sense, we placed the emphasis on discovering possibilities and the most suitable solutions in the so-called integration of training. Not a single soldier or officer was wounded. The unit is made up primarily of soldiers from the September recruitment batch, contract soldiers-professionals and some reservists. We invited the reservists most of all so that they could experience the atmosphere in the unit and the ambience in this region, but also for training."

Maj. Iric emphasized in particular that the unit that he commands is considered experimental, where all obligations are carried out extremely professionally and responsibly. Despite the numerous and by no means easy tasks associated with living in the field, he stressed, every day they listen to and monitor everything that is happening in their immediate vicinity, ready to intervene and defend their fatherland without question.

Changes in Vranje Barracks Discussed

94BA0372D Belgrade VOJSKA in Serbo-Croatian 19 May 94 p 23

[Article by S. Jakovljevic: "At 'Southern Moravia Brigade' Barracks in Vranje: Results Justify Changes"]

[Text] For a professional army, barracks should serve only as a "base for offering certain services," because the experience of war cannot be conjured up and simulated for soldiers in classrooms, nor can the numerous squad, platoon, and company exercises be conducted there.

"Always think about quality, because the future depends on it!"—That slogan, which has long been generally accepted by dedicated and successful Vranje businessmen, could now be somewhat modified for officers and young soldiers devoted to the profession and the fatherland who are now preparing to defend the country by honorably performing their duty at the "Southern Moravia Brigade" Barracks in Vranje, and read something like this: "Good preparations in training are the greatest guarantee of readiness for war, for protection of the honor and freedom of the fatherland, of one's nation, and of all citizens in the state."

During a recent visit to the Vranje garrison, the commander of the Nis Corps, Brigadier General Bozidar Cokic, had the opportunity to see for himself that the transformation of the Armed Forces of Yugoslavia [VJ] is reflected first of all in the professional attitude toward combat training, with application of the experience from war activities. Instead of staying in the barracks, the soldiers and officers are most frequently in the field and at the firing ranges for combat training around the city, on the slopes and hills of Pljackavica.

"A 'general overhaul' has been conducted in our units after last year's tragic action in these Vranje barracks. Much has changed. Training now lasts almost the entire period of military service. The personal responsibility of each officer has been adopted as the basis of the new organization, and for a professional army barracks should serve only as a 'base for offering certain services.' In addition, priority in training has been given to practical operations, while theory has been reduced to lowest possible degree," said Colonel Radomir Cvetkovic, the commander of the "Southern Moravia Brigade" Barracks, who also emphasized that the experience of war cannot be conjured up and simulated for soldiers in classrooms, nor can the numerous squad, platoon, and company exercises be conducted there.

Among those who are aware of this are the young artillerymen from the unit of Major Dragoljub Petkovic, as well as the members of the armored-mechanized unit

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

headed by Major Momcilo Dodic, who in the period of expert, specialized training next to powerful howitzers and modernized T-55 tanks are endeavoring on the firing range to master their trade to perfection. Each unit is composed of professional soldiers and conscripts, from Subotica, which is where the young electrical technician Igor Kolecevic comes from, all the way to Leposavic, the home town of Mersad Osmanovic, who like many of his contemporaries came to honorably perform his civic duty.

Let us also say that during March, as part of the recurrent check of the state of combat readiness after the disagreeable events in the second half of last year, the Vranje barracks were visited by the Inspection Board of the VJ General Staff, led by Major General Dobrasin Prascevic, when it was established that the material and subjective causes of those events have been eliminated and the training level of the units received a solid, positive assessment. Thus, the conditions have been created for further development and for raising the level of combat readiness of the units in the coming period in this increasingly prominent military collective.

Exercises of Air Defense Units Described

94BA0369D Belgrade VOJSKA in Serbo-Croatian 2 Jun 94 p 21

[Article by M. Lekovic: "High Marks for Training"]

[Text] Elements of the Air Defense rocket artillery units (ARJ PVO) of the 2d Army, the Navy, and the Air Force and PVO, fired on airborne targets on 19 and 20 May. On the range at the same time were Air Defense personnel from the garrisons of Podgorica, Danilovgrad, Golubovci, and Radovici. This was preceded by numerous drills, school tests, and firing on surface targets.

"In order to come to the range, all units have to achieve a certain level of training in firing and must pass a previous examination to test theoretical and firing ability," said Lieutenant Colonel Milosav Scepanovic, chief of the ARJ PVO of the 2d Army, especially emphasizing cooperation with the flight crews, who themselves are undergoing training as they pull the targets.

At the firing position, the crews rapidly relieved one another on the guns; they were made up mostly of soldiers from the September and March inductions and professionals. It was the gunners who were busiest. The most successful of the reservists were those from the rear base of the 2d Army and Pljevlja Garrison. The target in the shape of a sleeve, one-tenth as large as the airplane pulling it, received visible traces only after the first projectiles fired by gunners in the unit of Lt. Col. Tomislav Kalicanin. Soldiers of Lieutenant Dusan Tomic loudly commented on the slight lapses, but they were still louder in congratulating the good hits. The platoon of Lt. Miodrag Begic was among the best, with a grade of very good, but the gunners Novica Stojkovic and Vlade Batkovic were the most accurate.

In the unit of Lt. Col. Radoje Zarkovic, the Air Defense gunners of Captain First Class Petar Baucalo, who showed themselves completely ready for antiair combat, stood out particularly.

The artillerymen of Capt. Dragoslav Krsmanovic displayed their skill at firing, especially in performing tactical and fire operations, and the professional Dragan Nedovic was among the best.

The Air Defense gunners of Colonel Dragan Lekic were firing 40-mm antiaircraft cannon. Senior Sergeant Slobodan Rajcic instilled confidence in all those at the firing position thanks to his experience and self-assurance. Lt. Col. Janko Miljevic, chief of staff of that unit, said that all the soldiers and officers had gone through extensive and serious preparations necessary for all the demands of this kind of practice. Outstanding among the soldiers serving regular military service were the gunners Dalibor Zecevic and Miro Radosevic, and among the professionals Andrija Culumovic and Miodrag Karac. Zlatko Glisic, a soldier from Kragujevac, had a particular reason to celebrate—news of his firstborn son arrived during the practice.

Col. Miodrag Pavicevic of the ARJ PVO Administration of the VJ General Staff said all the units had displayed a high degree of training, which is a guarantee of effective operations in withstanding assaults of enemy aircraft, and Major General Radosav Martinovic, chief of staff of the 2d Army, and Milorad Obradovic, commander of the Podgorica Corps, who witnessed this practice with live ammunition against airborne targets, had praise for how well it was organized.

Nis Firm To Cooperate in Tank Refurbishment

94BA0369A Belgrade VOJSKA in Serbo-Croatian 2 Jun 94 p 17

[Article by N. Ostojic: "Repairing the T-55 Tank: Cooperation Between the Army of Yugoslavia and the Economy"]

[Text] The 126th meeting of the Council of the Engineering Service was held in the Engineering Administration of the General Staff of the Army of Yugoslavia [VJ]; a decision was adopted confirming that the enterprise Vagonka, joint-stock company, a subdivision of the Machine Industry [MIN] of Nis, along with its subcontractors the NTVT [expansion not given] "7 Oktobar" and Sova of the Electronics Industry [EI] of Nis, is equipped to overhaul the T-55 tank.

This working meeting was chaired by Colonel Dr. Jugoslav Kodzopeljic, chief of the Engineering Administration, and it was attended by Major General Ratomir Milovanovic, assistant chief of the VJ General Staff for the Rear, Milovan Krivokapic, M.A., general director of MIN of Nis, Dr. Dragisa Stefanovic, deputy general

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

director, Vukoman Avramovic, director of the enterprise Vagonka, joint-stock company, Eng. Djordje Stojanovic, coordinator of repair work, Momcilo Savic, director of special-purpose production at Vagonka, and Zoran Obradovic, production superintendent of the Electronics Industry of Nis.

The decision of the Council of the Engineering Service actually confirms that Vagonka of Nis, with its numerous subcontractors, is technologically and organizationally equipped to repair and overhaul the T-55 tank and manufacture replacement parts for it; along with other up-to-date combat vehicles, this tank is part of our Army's armament, with all the adaptations, modifications, and further improvements.

The favorable assessments were preceded by the procedure customary for this type of contract negotiation. The Engineering Administration has offered Yugoslav businessmen a program for overhauling the T-55 and the requirements which enterprises interested in this form of cooperation must meet. This is the first time the principle that cooperation be contracted for without a money bid, on the basis of mutual interest, has been applied.

According to Djordje Stojanovic, Vagonka, which has assumed those obligations, acquired the equipment and tools, some it manufactured itself, thereby making an investment in its own development. Then they mastered production of the replacement parts, units, and assemblies, and they set aside a section of a warehouse for replacement parts. Some of the equipment was also supplied by the Army of Yugoslavia. Then they trained personnel to repair and overhaul the mechanical part of the tank, the armament and stabilizer, and the optical and electronic devices. The teams were also trained so that they can do medium repairs in the field, when a malfunction has occurred, but all other repairs are done within the enterprise. In addition, Vagonka has also organized acquisition of some of the replacement parts and production supplies, has written software to monitor the inventory of those parts in the warehouse, and has recruited several subcontractors for rubber, plastic, felt, and leather products. Some of the capacity in that enterprise has also been equipped to modify certain devices and assemblies in the gearbox, the booster, and the optical system.

According to Milovan Krivokapic, M.A., by committing to this project its production capacity, highly trained personnel, and the knowledge it has, MIN will be able to keep pace with the planned schedule for overhauling T-55 tanks.

Gen. Ratomir Milovanovic congratulated the managers of MIN of Nis on qualifying for this important and responsible job, emphasizing in particular that this is one of the ways in which it is possible and necessary to collaborate with Yugoslav industry in equipping it for repairs, overhaul, production and substitution of spare parts for the up-to-date equipment which the Army possesses. All such initiatives and proposals will be encouraged in the future, because both the economy of Yugoslavia and the Army of Yugoslav derive benefit from this kind of cooperation.

TANJUG Views U.S. Statements on Sanctions

LD1008102894 Belgrade TANJUG in English 0938 GMT 10 Aug 94

[Text] Washington, Aug. 10 (TANJUG)—The White House has said it will insist on "Contact Group" punitive measures if the Bosnian Serbs persist in their rejection of the international plan for Bosnia.

The statement made by spokeswoman Dee Dee Myers Tuesday followed indications from Secretary of State Warren Christopher that the sanctions against Yugoslavia might be eased if Belgrade continued to maintain a rigorous blockade of the Bosnian Serb republic.

The Christopher statement, although somewhat at variance with what Myers said, was the first statement by a ranking official in which Washington accepted the possibility of the easing of the sanctions.

The basic new element Christopher introduced was that he did not explicitly link the easing of the sanctions to the acceptance of the Contact Group plan by the Bosnian Serbs but instead to a tightly closed Yugoslav border with the Bosnian Serb republic.

"If there is a substantial period of enforcement...if the border was effectively closed and if the Bosnian Serbs seem to be deprived of important aid and war-making material, clearly there then would be a case for easing sanctions," Christopher said.

The Yugoslav Government severed all political and economic relations with the Bosnian Serb republic August 4, after the Bosnian Serb National Assembly rejected August 3 the calls from the Yugoslav leadership to accept the Contact Group plan.

The Assembly decided to have the people take the decision on the plan in a referendum August 27-28.

The U.N. Security Council introduced comprehensive sanctions against the Yugoslav Federation of Serbia and Montenegro in May 1992, alleging the country's involvement in the civil war in Bosnia-Herzegovina.

Dee Dee Myers did not comment the Christopher statement. She quoted Serbia's President Slobodan Milosevic as saying he would apply an arms embargo to the Bosnian Serbs and said it appeared that was being done for the time being.

Myers said that, according to the available information, Yugoslavia had further tightened the border control. She said the U.S. would continue carefully following the developments.

Article Discusses Decree on Mobilization

94BA0372A Belgrade VOJSKA in Serbo-Croatian 19 May 94 p 11

[Article by S. Ristic: "Regarding Decree on Mobilization: Touchstone for Spirit of Population"]

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

[Text] *"One day gained through the speed of mobilization and through the speed of concentration can be one won battle."—Duke Zivojin Misic*

Last month, the federal government adopted the Decree on Mobilization (published in SLUZBENI LIST SRJ, No. 36, of 29 April 1994), which based on the Constitution and the Law on Defense regulates the organization, preparation, and execution of mobilization: of citizens, of the Armed Forces of Yugoslavia, of the Surveillance and Intelligence Service, of civil defense units and other forms of organizing the protection and rescue of the population and material property and units of civil defense, of federal agencies and federal organizations, of agencies and institutions of the member-republics and units of local self-administration, of organizations performing public service or activities, and of enterprises and other legal persons and material resources for the needs of national defense, in the event of an immediate threat of war, a state of war, or a state of emergency.

We spoke with Major Gradimir Miletic of the Legal Division of the Federal Ministry of Defense, who helped prepare the Decree, about what the essence of the new regulation on mobilization is, what the starting point of its preparation was, and what the overall meaning of regulating the mobilization issue under conditions of the new national defense concept is.

Tradition and Contemporary Experiences

The organization, preparation, and execution of mobilization is one of the most sensitive defense issues in any country, including ours. In accordance with the new Law on Defense, our starting point in preparing the Decree on Mobilization was contemporary positive experiences in a few of the world's developed countries; at the same time, however, we also relied on our nation's tradition, those things that have been recorded in military doctrine as permanent historical truths and experiences by famous Serbian strategists and military leaders such as Putnik and Misic. One of these truths, Maj. Miletic says, is contained in the words of Duke Zivojin Misic who said that mobilization of the armed forces is "the surest touchstone for the dignity of the entire state organism and for the spirit of the population."

It is impossible not to cite in this regard another quote from Zivojin Misic's book *Strategija [Strategy]*, from the very part where he discusses mobilization: "The more educated the nation is, the stronger morale is; the greater the value attached to native virtues, to personal and family dignity, the more that nation will feel national pride and be offended and upset by any enemy attack on its personal and national rights. Such a nation will always enthusiastically rush to the flag and fight heroically for its national rights when its fatherland asks it to. In such a nation, there will always be watchful awareness of the territorial inviolability of its state, of its state's dignity, and that awareness will also awaken in it the desire to realize national ideals."

Still, with regard to modern accomplishments in the area of mobilization, it must be noted that this is the first time in our country that issues of mobilization are being regulated primarily on the basis of the citizenry's obligations in national defense.

"In the previous period, under the dominance of the concept of nationwide defense and social self-protection in the former SFRY [Socialist Federal Republic of Yugoslavia], mobilization matters were effected through sociopolitical communities in the context of internal regulations, expert rules, and mobilization plans which, naturally, were not accessible to the public, even though there was continuous insistence on the so-called socialization of defense and protection. Now, in the spirit of the new concept of defense as a social function, the emphasis is on the citizen as a subject of mobilization, which is reflected in Article 5 of the Decree, while Article 9 stipulates that mobilization of the Armed Forces be organized and executed in accordance with the Plan for Mobilization Development of the Armed Forces and the mobilization plans of war units and institutions of the Armed Forces, drawn up for the eventuality of an immediate threat of war, a state of war, or a state of emergency. It is also important to stress," Maj. Miletic said, "that previously the element of the material security of mobilization was neglected, an element that is now fully regulated in Article 21 of the Decree on Mobilization."

Even General Mobilization Does Not Engage All of Society

Every mobilization engages both the human and the material potential for waging war, under conditions that naturally differ from those in peacetime. However, the essence of all highly developed models for organizing mobilization is that all of society is not engaged; rather, only that part of it that is necessary to ensure the realization of the function of defense is. All other parts of society, to the greatest extent possible, must function as in peacetime. Even under general mobilization it is important for psychological and morale reasons that as many segments of the economy and infrastructure as possible function as under peacetime conditions. That is a more rational system, and that is what was aspired to in the preparation and adoption of this regulation on mobilization.

"The decree specifies the procedure for executing mobilization, from the announcement of orders, i.e., call-ups, the serving of personal call-ups to conscripts who have not responded, to preparations for forcible action if conscripts do not respond to the call-up. Also new here is the fact that in executing mobilization, coordination is established between the MUP [Ministry of Internal Affairs] and the Armed Forces to perform this task as efficiently as possible, a task that sometimes must be carried out over the course of only a few hours, because, as Duke Misic said, 'one day gained through the speed of mobilization and through the speed of concentration can

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

be one won battle,' which is clearly confirmed under present-day conditions," Maj. Gradimir Miletic said in conclusion.

Serbia

Milosevic Meets Business Group, Reviews Program

LD0908190294 Belgrade TANJUG Domestic Service in Serbo-Croatian 1336 GMT 9 Aug 94

[Text] Belgrade, 9 Aug—Serbian President Milosevic today met with a business delegation led by Vlajko Stojiljkovic, chairman of the Economic Chamber of Serbia, the Serbian president's office said.

The delegation included directors of several large enterprises and banks: Trepca, Mining and Smelting Works-Bor, Sartida, Minel, Grmec, Department Store Beograd, Goma, Beogradska Bank and Investbanka.

The talks were attended by Serbian Prime Minister Marjanovic, Dragan Tomic, government minister and coordinator of the economic recovery program, and ministers Ivko Djonovic and Radoje Djukic.

There was a statement released from the talks:

"Businessmen presented main views of the results achieved in the first six months of the implementation of the national economic recovery program. All of the fundamental bases of the program had been achieved. Summary of key results are: a stable dinar exchange rate; stable prices; and continuous economic recovery.

"In the first six months the gross domestic product reached 7.8 billion dinars, 750 million German marks were bought, and 483 million German marks were sold to businesses and citizens. Foreign currency reserves increased 268 million dinars. All this created a better economic climate. A key feature was achieved in wiping out the budgetary deficit, not only by increasing income in real terms, but also by reducing public spending. This process will continue, along with rationalization of the public sector, reexamination of acquired rights in the sphere of public spending, and increasing the overall inland revenue. Price stability ought to be kept with resolute measures.

"It was assessed that in the coming phase moves should be made toward resolving specific problems in public enterprises. This presupposes raising the quality of their services and creating conditions so they become larger purchasers of equipment and spare parts, especially in engineering and electrical engineering spheres. Moreover, moves should be made to begin the realization of defined programs, above all the electrification of the railways, renewal of rolling stock, irrigation, development of heating systems, apartment construction, and other vital programs. It is necessary to prepare concrete programs, projects, and secure financing for them from real domestic and foreign sources.

"It is essential to reaffirm consumer credits to stimulate demand for durable consumer goods and to find reserves to further lower prices with the aim of liberating working capital now locked in stocks of finished goods.

"Noting the importance of the successful course and results in the realization of the country's monetary reform and economic recovery programs, President Milosevic stressed that in the second phase great possibilities should emerge for the intensive revitalization of production and raising of living standards. It is the primary task of businesses to elaborate plans for this; banks should invest the necessary funds in those manufacturing projects for which a market has been secured. President Milosevic sees this as a matter of the notion of a dynamic, accelerated, open economic development.

"The president of Serbia noted in particular that the balancing of all budgets and funds is a condition for the further successful implementation of the economic program. In this process, a stable currency, a stable market and the financing of a deficit-free budget are preconditions for the maintenance of stable interest rates which, after a lengthy period, have become realistic in our economy. At the same time, President Milosevic notes it is vital that earnings' policy is in keeping with the demands of the program. It is also possible to achieve greater earnings by increasing economic activity and raising the quality of products and labor productivity.

"In today's talks between the Serbian president and the business delegation there was also expression given to the joint conviction that the final establishment of peace in the former Bosnia-Herzegovina will make an important contribution to the successful economic recovery of the economy of the whole region."

Seselj Accuses Milosevic of War Crimes

AU0908190294 Belgrade VREME in Serbo-Croatian 8 Aug 94

[Interview with Vojislav Seselj, head of the Serbian Radical Party, by correspondent "I.R."; place and date not given: "My Volunteers Next to His Special Corps"]

[Text] "Slobodan Milosevic has led toward the war and he would like to wriggle out of it now," Vojislav Seselj, president of the Serbian Radical Party, said only a few hours before he was banished from Montenegro. His words, as well as the ban, were sufficient reason for an interview. First about the expulsion:

[Seselj] Milosevic is definitely involved in all this. I hold reliable information that [Montenegrin Prime Minister] Milo Djukanovic consulted him before I was banished. The Montenegrin Government was in session the entire night regarding this.

[VREME] Your conflict with the Serbian president is heating up. How do you expect it to end?

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

[Seselj] Milosevic will fall in any case. He made a fundamental mistake at the beginning of the war in Bosnia-Herzegovina. When the Yugoslav Peoples' Army withdrew, he should no longer have meddled. Had he not been so anxious to demonstrate his influence over the Bosnian Serbs, we would have had neither sanctions nor blackmail. For this reason, he is facing the collapse of Avramovic's [economic] program and the hottest autumn so far.

[VREME] Tell me a little more about how Milosevic has, from you point of view, "led toward the war."

[Seselj] All moves made since 1988 have been aimed in this direction. Ultimately, that is why we have followed him as a nation. Because I personally participated in the events in Vojvodina when its leadership of that time was being brought down, I know very well that he organized them personally, not to mention the meeting with the presidents of communes and his statement "We might not know how to work, but we know how to fight." True, he now thinks that he can change his policy by 180 degrees and pretend that nothing has happened, however, he will have to face the consequences. Actually, the biggest chaos is currently in the Socialist Party. The majority of the Socialists, too, followed him as a nationalist. That is what he was until the Vance-Owen Plan.

[VREME] You have visited him often during this time....

[Seselj] We even planned some operations together, as well as the strategy....

[VREME] What operations?

[Seselj] I would not speak about it yet. In any case, he was an optimist and our volunteers went into action next to his Special Corps. Naturally, there were disagreements even then about marching into Dubrovnik and Osijek, and also regarding Western Slavonia. I favored marching into these towns, Dubrovnik would have fallen in an hour and Osijek was already evacuated anyway, however, he was a little afraid. I also considered that Western Slavonia could be defended easily, the Ustashas, I believe, did not even want to attack it, however, he did what was done later with Maslenica—he struck a deal with [Croatian President] Tudjman.

[VREME] It has been rumored that the behavior of your party in the Assemblies of Serbia and Montenegro was guided by your desire to help [Bosnian Serb leader] Radovan Karadzic?

[Seselj] This—to attack Milosevic directly in order to make it easier for Radovan Karadzic—could be one of the reasons, however, not the only one. Essentially, this is nevertheless a struggle for our national interests and a struggle against crime.

[VREME] Speaking of crime, there is crime in the Serbian Republic.

[Seselj] Yes, however, the greatest portion of this crime draws its roots from Belgrade. Mica Stanisic, interior minister in the Serbian Government, who is directly linked to Milosevic, is now imputing criminal affairs to the ministers who are opposed to the latest peace plan. At the same time, with his assistance, Milosevic's police are organizing the persecution of the Muslims in Bijeljina, this being the Muslims who have fought in the Serb Republic Army for two years, to ascribe it all to Radovan Karadzic. I have already said that the League of Communists-Movement for Yugoslavia [SK-PJ] organized that notorious kidnapping of the Muslims from a train at Strbac.

[VREME] Do you know anything about it?

[Seselj] I know that several people took part in it, that seven army trucks were involved, that all the Muslims were killed immediately, and that Stevan Mirkovic, president of the SK-PJ at that time, had to leave the party because he was on the way to discover who was behind all this.

[VREME] You have been accused of war crimes, too.

[Seselj] They have tried, but they do not have a single proof.

[VREME] Do you know about any war crimes backed by Milosevic?

[Seselj] I know, however, there will be other opportunities to talk about them.

Serbian Opposition Party Supports Peace Plan

LD0908170794 Belgrade TANJUG in English 1646 GMT 9 Aug 94

["Pool" item]

[Text] Belgrade, August 9 (TANJUG)—Milan Komnenic, a senior official of Serbia's strongest opposition party, said Tuesday his party supported the "contact group" plan for Bosnia-Herzegovina.

Speaking at a press conference, Komnenic rejected the criticism that his Serbian Renewal Party (SPO) had supported "the lowering of an iron curtain on the Drina River" (the natural border between the Federal Republic of Yugoslavia and the Bosnian Serb republic). He disagreed with what he described as a tough method applied towards the Bosnian Serb republic.

"The SPO is very careful not to fall into the trap of sharing the responsibility for the policy of the ruling Socialist Party of Serbia," he said.

In his view, the socialists have brought the Serbs on both sides of the River Drina into a difficult position where they have to make decisions on a take-it-or-leave-it basis and about a plan which could have been better had the negotiating policy been wiser.

Yugoslavia's sanctions against the Bosnian Serb republic will affect the ordinary people and will not force the

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Bosnian Serb leadership, led by Radovan Karadzic, to change its stand on the contact group plan, Komnenic said.

The Yugoslav Government last Thursday closed its border with the Bosnian Serb republic after its parliament declined to endorse the contact group plan and decided instead to organize a referendum on August 27-28.

Komnenic said world officials had neither goodwill nor time to consider Bosnian Serb demands for corrections of the Bosnian maps, the settling of the Sarajevo problem and the Serbs' access to the Adriatic Sea. He said his party would blacken neither the leaders in Bosnia nor in Yugoslavia because all those who could secure peace in the territory of former Yugoslavia were welcome.

Authorities Tell Bosnian Serbs To Leave Mission

AU0908112794 Paris AFP in English 1110 GMT 9 Aug 94

[Excerpts] Belgrade, Aug 9 (AFP)—The staff of the Bosnian Serb diplomatic mission in Belgrade have been told to leave by the Serb authorities, members of their entourage said Tuesday. [passage omitted] The deadline for leaving the offices, in the middle of the Serb capital, expires Tuesday.

"As we have received no official request we are staying at our posts", an employee who wished to remain anonymous told AFP. The demand was passed on verbally by the management of the public building where the mission has its offices. The two senior officials of the mission were absent Tuesday, according to the same source. The Bosnian Serb news agency, SRNA, whose offices are in the same building, has not been asked to leave, according to one of its representatives. [passage omitted]

Kosovo

Military Police Exercises in Pristina

94BA0372B Belgrade VOJSKA in Serbo-Croatian 19 May 94 p 20

[Article by Z. Antic: "Security Day in Kosmet [Kosovo and Metohija]: Expert, Instructive, and Applicable"]

[Text] *Besides a workshop on combat training in units of the military police of the VJ [Armed Forces of Yugoslavia] in the zone of responsibility of the Pristina Corps, a battalion exercise was carried out and the activity of the Special-Purpose Detachment at infrastructure facilities of Slatina Airport was presented; departments of "Crvena Zastava" in Kragujevac presented to officers of the military police and of security agencies their development program, while officers had the opportunity to verify for themselves the precision of the new 12.7-mm sniper rifle; members of the military police and of security and intelligence agencies visited the Pec Patriarchate.*

Last week, the Pristina Corps played host to a group of military policemen, security and intelligence officials, and high-ranking military officers from the General Staff of the VJ and the Ministry of Defense at the facilities of the Security Administration and the 3d Army.

It all began at the VJ Club in Pristina, where an outstanding workshop on combat training in units of the VJ military police was held, led by Colonel Hristivoje Jocic. During that meeting, the latest equipment designed for the military police was presented, equipment that is very attractive to young people, especially contract soldiers, who are increasingly interested in entering that profession.

The next day, at several work sites of the always hot Kosovo-Metohija region, the high level of combat training of military police units was demonstrated, as well as that of the Special-Purpose Detachment of the 3d Army, which has been active at infrastructure facilities at Slatina Airport. Participating in this demonstration were reconnaissance, commando, and airborne units for antiterrorism activities, the goal being, through the formation of the detachment, to demonstrate to the officers in practice the activity of the forces in lifting blockades, occupying vital installations, destroying fortified structures, commando operations, attacks on the fire positions of artillery-missile units....

Everything took place quickly and energetically. First there was a paratrooper drop at the airport control tower, while a second group blocked the access points; vehicles of intervention forces also arrived, depots of motor fuel were burned, and the airborne-commando units were withdrawn to the safe zone by helicopter.

At Goles, the next work site, soldiers demonstrated their mastery of infantry weapons, Zolja hand-held rocket launchers, and mortars....

Of exceptional interest was the firing demonstration with mortars and 12.7-mm sniper rifles designed by "Crvena Zastava" in Kragujevac. Besides presenting their development program, they gave the officers the opportunity to verify for themselves the precision of the new weaponry.

The high point was the exercise of battalions of the military police and of Serbian MUP [Ministry of Internal Affairs] units on the grounds of the abandoned magnesite mine near the town of Galica, where a commando-terrorist group was "annihilated" using special-purpose equipment and fire support.

At the conclusion of all the activities, Brigadier General Aleksandar Dimitrijevic did not hide his satisfaction with what had been presented and demonstrated:

"The exercises demonstrated the high level of training and physical preparedness of units of the military police and other structures, which is in fact the requirement of the Security Administration, as the expert exponent of training in those units. The thing that must be the focus of the military leadership in the future, besides training, is that

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

these units must be outfitted with modern equipment, and only then, in conjunction with training and preparedness, can they make the maximum contribution to security, in other words perfectly carry out their duties. All the exercises served the purposes of the workshop at which we endeavored to clarify many specialized issues and to help all the officers who are directly commanding military police units to acquire new knowledge and a good orientation, which must be the focus of their further work. The exercise near the town of Galica was a supplement to that relating to the tactics of using military police units, which most certainly contributes to the lessons and experience gained and to the ability of officers to apply what they saw to day to their own units...."

The commander of the 3d Army, Brigadier General Dusan Samardzic, believes that the goals of the workshop and of the demonstration exercises were entirely achieved:

"Those who command reconnaissance and commando units had plenty to see in terms of tactics and fire, and we wanted to show a way for reconnaissance-commando units and military police units to act in harmony with forces of the Serbian Ministry of Internal Affairs. One such variant is possible, and for individual officers who lead such units, the exercise can be not only instructive, but also applicable in a specific situation...."

The commander of the Pristina Corps, Brigadier General Milovan Bojovic, said this: "I am satisfied, because the soldiers demonstrated exceptional skill, a high level of expertise, energy, and top-notch physical preparedness...."

The participants in the workshop also took advantage of the opportunity to visit the Pec Patriarchy, a landmark of Serb spirituality, the Serb nation, and the Serb lands.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

BULK RATE
U.S. POSTAGE
PAID
PERMIT NO. 352
MERRIFIELD, VA.

This is a U.S. Government publication. Its contents in no way represent the policies, views, or attitudes of the U.S. Government. Users of this publication may cite FBIS or JPRS provided they do so in a manner clearly identifying them as the secondary source.

Foreign Broadcast Information Service (FBIS) and Joint Publications Research Service (JPRS) publications contain political, military, economic, environmental, and sociological news, commentary, and other information, as well as scientific and technical data and reports. All information has been obtained from foreign radio and television broadcasts, news agency transmissions, newspapers, books, and periodicals. Items generally are processed from the first or best available sources. It should not be inferred that they have been disseminated only in the medium, in the language, or to the area indicated. Items from foreign language sources are translated; those from English-language sources are transcribed. Except for excluding certain diacritics, FBIS renders personal names and place-names in accordance with the romanization systems approved for U.S. Government publications by the U.S. Board of Geographic Names.

Headlines, editorial reports, and material enclosed in brackets [ ] are supplied by FBIS/JPRS. Processing indicators such as [Text] or [Excerpts] in the first line of each item indicate how the information was processed from the original. Unfamiliar names rendered phonetically are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear from the original source but have been supplied as appropriate to the context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by the source. Passages in boldface or italics are as published.

SUBSCRIPTION/PROCUREMENT INFORMATION

The FBIS DAILY REPORT contains current news and information and is published Monday through Friday in eight volumes: China, East Europe, Central Eurasia, East Asia, Near East & South Asia, Sub-Saharan Africa, Latin America, and West Europe. Supplements to the DAILY REPORTs may also be available periodically and will be distributed to regular DAILY REPORT subscribers. JPRS publications, which include approximately 50 regional, worldwide, and topical reports, generally contain less time-sensitive information and are published periodically.

Current DAILY REPORTs and JPRS publications are listed in *Government Reports Announcements* issued semimonthly by the National Technical Information Service (NTIS), 5285 Port Royal Road, Springfield, Virginia 22161 and the *Monthly Catalog of U.S. Government Publications* issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

The public may subscribe to either hardcover or microfiche versions of the DAILY REPORTs and JPRS publications through NTIS at the above address or by calling (703) 487-4630. Subscription rates will be provided by NTIS upon request. Subscriptions are available outside the United States from NTIS or appointed foreign dealers. New subscribers should expect a 30-day delay in receipt of the first issue.

U.S. Government offices may obtain subscriptions to the DAILY REPORTs or JPRS publications (hardcover or microfiche) at no charge through their sponsoring organizations. For additional information or assistance, call FBIS, (202) 338-6735,or write to P.O. Box 2604, Washington, D.C. 20013. Department of Defense consumers are required to submit requests through appropriate command validation channels to DIA, RTS-2C, Washington, D.C. 20301. (Telephone: (202) 373-3771, Autovon: 243-3771.)

Back issues or single copies of the DAILY REPORTs and JPRS publications are not available. Both the DAILY REPORTs and the JPRS publications are on file for public reference at the Library of Congress and at many Federal Depository Libraries. Reference copies may also be seen at many public and university libraries throughout the United States.